

STATE OF CALIFORNIA

HORSE RACING BOARD

CHURCHILL DOWNS HOLLYWOOD PARK RACETRACK

1050 PRAIRIE AVENUE

INGLEWOOD, CALIFORNIA

THURSDAY, APRIL 28, 2005

9:53 A.M.

CAROL MATHER

HEARING REPORTER

PETERS SHORTHAND REPORTING CORPORATION (916) 362-2345

1 APPEARANCES

2 BOARD MEMBERS

3

4 Mr. John Harris, Chairperson

5 Mr. William Bianco, Vice Chairman

6 Mr. Richard Shapiro, Member

7 Ms. Sheryl Granzella, Member

8 Mr. Jerry Moss, Member

9 Mr. John Sperry, Member

10 Ms. Marie G. Moretti, Member

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1 PROCEEDINGS

2 EXECUTIVE DIRECTOR FERMIN: Ladies and gentlemen,
3 will the meeting come to order, please. This is a
4 regular meeting of the California Horse Racing Board on
5 Thursday, April 28, 2005, the Churchill Downs Hollywood
6 Park Race Track, 1050 South Prairie Avenue, Inglewood,
7 California.

8 Present at today's meeting are Chairman John
9 Harris, Vice Chairman William Bianco, Commissioner
10 Sheryl Granzella, Commissioner Marie Moretti,
11 Commissioner Jerry Moss, Commissioner Richard Shapiro,
12 Commissioner John Sperry.

13 Before we begin the business, I'd like to
14 ask everyone to remember to state your name clearly and
15 the organization which you represent so that the Court
16 Reporter can get the necessary information.

17 Mr. Chairman.

18 CHAIRPERSON HARRIS: I'd like to welcome everyone
19 to the meeting. The first item on the agenda is a
20 discussion and action by the Board on the approval of
21 the minutes of the record on the board meeting of
22 February 17 and the meeting of March 24.

23 Are there any corrections of those minutes?
24 If not, we need a second. All in favor?

25 (Ayes.)

1 CHAIRPERSON HARRIS: Okay. And the second item
2 is the discussion and action by the Board on the
3 application to conduct Horse Racing Meeting of the San
4 Joaquin County Fair at Stockton, commencing June 15
5 through June 26, 2005.

6 Jackie, are you going to present this?

7 MS. WAGNER: Good morning. Jackie Wagner, CHRB
8 Staff.

9 The application before you is the
10 application from the San Joaquin County Fair at
11 Stockton. They are proposing to race from June 15
12 through June 26th, or 10 days, the same number of days
13 that they raced in 2004. And they are also proposing to
14 race a total of a 104 races, which is the same amount
15 that they raced in 2004.

16 They will be racing five days per week,
17 Wednesday through Sunday, with 10 races per day the
18 first week. The second week will have 10 races
19 Wednesday through Friday and 12 races on Saturday and
20 Sunday. They will be racing concurrently with Golden
21 Gate Fields on June 17th, 18th, and 19th.

22 First post time is proposed for 12:45 P.M.
23 daily and a 3:15 post on Fridays. They will be using
24 the wagering program, the CHRB Rules for their race
25 meeting. The items missing from this application are

1 the fire clearance.

2 We have received notification from the fair
3 that the name of the substance scales -- we have
4 received that information. You'll also notate (sic) on
5 the analysis that we have information that is missing
6 from CARA.

7 I was informed this morning that the
8 horsemen's agreement for the losses has been signed.
9 The TOC application, while it has not been signed, they
10 have come to terms, come to accordance in regarding the
11 terms of the contract. The name of the entity that will
12 provide pari-mutuel audits, this contract is currently
13 out to bid. The selection has not been made. And the
14 contract for statement is while this has not been
15 signed, I understand that they have met, and they too
16 have agreed on the terms.

17 Staff has recommended the Board approve the
18 application contingent upon us receiving the missing
19 information from the application. There is a
20 representative from the fair here also.

21 CHAIRPERSON HARRIS: Any comments on this
22 application?

23 COMMISSIONER SHAPIRO: I have a few questions.
24 First of all, I'd like to know what the procedures are
25 for TC02 on milkshake testing. Do you have a detention

1 barn facility?

2 MR. WHITE: Chris White, San Joaquin Fair.

3 We do have extra stalls available for that
4 purpose, if necessary; yes, sir.

5 COMMISSIONER SHAPIRO: And you will be doing the
6 milkshake testing as has been done throughout the state
7 up to this date?

8 MR. WHITE: Right now CARA is looking into that.
9 As far as doing it as a group and how that will be
10 conducted at this point, I'd have to defer to Chris.

11 MR. KORBY: Chris Korby, California Authority of
12 Racing Affairs.

13 We've been watching the progress of AB52 to
14 see whether or not that responsibility would be
15 transferred to the Horse Racing Board. If AB52 does not
16 go into effect by the time the fairs begin, we will have
17 a plan in place for what that is. We'd like to work
18 that out with the Board Staff as that becomes evident.

19 COMMISSIONER SHAPIRO: Well, even if AB52 comes
20 under the jurisdiction of the Board, I think you need to
21 have a policy and procedures in place to handle it. I
22 personally would prefer to see that the same type of
23 mechanism that's now in place be used throughout the
24 state and would in fact recommend the same committee
25 type and some individuals involved in that.

1 I think they've done a terrific job, and
2 we're all thankful for the results, but I do think we
3 want to see that continued and would like to hear back
4 from you that a plan is in place.

5 MR. WHITE: We'd be glad to report back. It's
6 our intention to meet with the folks who have been
7 managing that program and do something similar if not
8 identical.

9 COMMISSIONER SHAPIRO: Will you have video
10 surveillance at all in a barn, should there be any
11 horses that test positive?

12 MR. WHITE: At the present time, we do not have
13 video surveillance. We're looking into it. There was
14 some meetings that Chris had with Roy Minami last week
15 or two weeks ago, to discuss certain security issues on
16 fairgrounds.

17 And we do have one plan in place about some
18 in-place security video cameras at this point --
19 confirmation.

20 COMMISSIONER SHAPIRO: Again, I don't know your
21 facilities, but maybe there's a way to get some portable
22 stalls or something that can be used in all of the
23 fairs. I'd hate to see each fair have to go through
24 this, and I have the same questions for the rest of the
25 other fair applicants that are going to come before us.

1 So maybe there's a way for all the fairs to get together
2 and buy a system.

3 I know the one in Bay Meadows, in viewing
4 their system, they were able to do it relatively
5 cheaply, and it seems to be very efficient. So you
6 might want to talk to them.

7 MR. WHITE: We are looking into that.

8 EXECUTIVE DIRECTOR FERMIN: I was just speaking
9 with Chris, and I think we're going to be meeting next
10 Tuesday or Wednesday up in Sacramento, and we can review
11 what the specifications of the --

12 CHAIRPERSON HARRIS: Right. It seems like we
13 need a plan for all fairs and to specify which races are
14 tested, and the detention barn aspect of it could get
15 pretty complicated, but I think we need to know what it
16 is.

17 MR. WHITE: We'll work with the staff and report
18 back to you.

19 COMMISSIONER SHAPIRO: Okay. I have another
20 question or two.

21 You say here that you request the option of
22 a one-dollar wager trifecta; is that something you
23 determined yet?

24 MR. WHITE: Last year we didn't do it, and we'll
25 probably do it this year; yes.

1 COMMISSIONER SHAPIRO: So you do plan on doing
2 that this year?

3 MR. WHITE: Yes, we do.

4 COMMISSIONER SHAPIRO: Okay. And out of the
5 country races, or you planned it in your application, it
6 says "to be submitted in terms of importing out of
7 country races." Have you made a decision on that yet?

8 MR. WHITE: No, we haven't. Part of the problem
9 we run into is that we try to run the same program that
10 Golden Gate runs. They're in control of that for the
11 first week. So depending on what they do, typically,
12 we'll build new for week two of our meet to follow that
13 format.

14 COMMISSIONER SHAPIRO: So in essence you're
15 asking us just for proof that what you're doing is the
16 same as Golden Gate?

17 MR. WHITE: Basically. Yes, sir.

18 COMMISSIONER SHAPIRO: And my last question
19 is -- and again, I'll have these same questions in a
20 minute.

21 On the Northern California Racing Fair
22 Simulcast Department, there are a group of outlets that
23 are not in our pools that were separate. I don't know
24 who they are. And what I'm curious to know is what
25 security procedures are taken to -- if they're not going

1 through our pools, where is this money going and how is
2 it coming back to benefit California?

3 CHAIRPERSON HARRIS: I think I understand as
4 non-commingled pools. They're just buying a signal.
5 They're basically booking the bet. So there's not a
6 rebate issue in those. The rebate issue is that the
7 commingled pools, which there are probably some
8 commingled pools that are rebaters, but that is sort of
9 separate issue.

10 MR. KORBY: If I might, Mr. Shapiro. Chris Korby
11 of California Authority Racing (F) Fairs.

12 The chairman is correct. Typically those
13 are flat fee arrangements or the entity pays a fee for
14 the right to take a signal. And the funds are not
15 commingled.

16 COMMISSIONER SHAPIRO: So how does any of that
17 money filter back to benefit them, the State of
18 California or the horseman? How does that work.

19 MR. KORBY: Well, that money then -- I'll have to
20 refer to John.

21 MR. JOHN: Commissioners, when you have a flat
22 rate situation, eight percent of it goes to the State of
23 California the rest is split between the persons of the
24 association.

25 So if you get a thousand a day, you pay

1 eight percent to the State and the remainder is split.
2 And since it's a flat fee, you know, we're not concerned
3 about any audits of the handle, we simply have an
4 arrangement. They pay a flat fee for the signal.

5 COMMISSIONER SHAPIRO: How do we -- okay.

6 So I understand that. How do we make sure
7 that -- and I'm not picking on anybody, but when I see
8 Stevenson and Associates, to me that doesn't mean
9 anything.

10 MR. JOHN: They pay a \$1000 a signal. CARP and
11 or San Joaquin receive the \$1000 for the contract and
12 they divvy up the money on our behalf.

13 COMMISSIONER SHAPIRO: Okay. And how do we know
14 Stevenson and Associates is not a rebater and is not, in
15 fact, using that signal, having their own pool, and
16 rebating back to its customers, depriving us of income.

17 MR. JOHN: For instance, Stevenson is an
18 organization that works for the Caribbean and parts of
19 South America. I suppose at that range we're not really
20 concerned about that -- back on us per se. Whether they
21 rebate, I couldn't say.

22 CHAIRPERSON HARRIS: Well, just to clarify --

23 MR. JOHN: I mean, I personally know that I've
24 worked with Stevenson. They're not rebaters, but, you
25 know, I can't guarantee every location, international

1 location rebater, but we do know that they have a
2 flat-fee arrangement and they do pay that flat fee --

3 CHAIRPERSON HARRIS: I thought Stevenson was
4 commingling. They have a flat fee?

5 MR. JOHN: They're listed here as separate. And
6 I'm saying because they do work with the Caribbean
7 locations and some of the other locations under --

8 CHAIRPERSON HARRIS: They're listed both ways, it
9 looks like.

10 MR. JOHN: I would suspect that they do have some
11 clients that are comminglers, yes.

12 COMMISSIONER SHAPIRO: Well, my concern is not
13 Stevenson, like this discussion. My concern is that
14 these rebate shops and wagering security, we, in essence
15 are shipping a signal and we're getting a fee and we're
16 saying, "Great. Thanks for the fee."

17 Now, if they in turn are offering rebates
18 and hurting our handle and attracting large wagers, that
19 would otherwise bet through our systems, we're hurting
20 ourselves for a thousand bucks. So I'm trying to ask,
21 where is the diligence in checking out these people that
22 are not going through our system? How is that done?

23 MR. JOHN: Okay.

24 COMMISSIONER SHAPIRO: You don't have an answer?

25 CHAIRPERSON HARRIS: Well, I think the issue

1 though, is that the rebater's motivation is to be in a
2 pool of commingle because then you can take an unlimited
3 amount of money bet, where if you're just booking a bet,
4 you don't -- they won't usually take a real big bet.

5 So I don't think -- the rebate issue is a
6 commingled issue, more than just selling the signal
7 because then it's just -- the guy's just a bookie,
8 basically. But he is buying the signal someplace -- I
9 don't know.

10 I was questioning in my own mind in today's
11 world why they wouldn't just get it on TVG or HRTV or
12 why they pay for it in the first place. But I guess
13 they are.

14 COMMISSIONER SHAPIRO: Well, I think that my
15 concern with this is that we're approving a list of
16 places in every application that we don't know, and I
17 would hate to find that they are either bookmakers or
18 they're illegal betting shops, and without our doing due
19 diligence and if the racing association is going to put
20 forth a list of all these people, they want to ship
21 their signal to and it's something that we're supposed
22 to regulate, then we need to know who these people are
23 and there has to be due diligence on them.

24 And I'm not picking on you. This is for all
25 of these.

1 MR. JOHN: Stockton is probably not the primary
2 target. But you're the first one to go, but I mean,
3 it's a state-wide issue, it's probably bigger, but
4 maybe --

5 UNIDENTIFIED SPEAKER: Well, I hate to jump in on
6 somebody else's license application, but --

7 (Laughter.)

8 UNIDENTIFIED SPEAKER: Hopefully I've -- all the
9 sites I just looked at, the list that Chris has, all the
10 sites that are on here are regulated entities and
11 jurisdictions that I believe have a sort of
12 correspondent relationship with the State of California,
13 so if John, for example, were to inquire of the Jamaica
14 Racing Commissions about the status of Kiwanis Park, for
15 example, I think you could satisfy yourselves that
16 they're appropriately licensed and regulated entities.

17 Most of the entities that you're concerned
18 about are either off-shore books that are illegally
19 taking our signal, are not authorized entities here,
20 Woodbine Entertainment, I think you know Woodbine Race
21 Track, Teletheater BC is regulated by the Canadian
22 Government. Stevenson, we're talking about Las Vegas,
23 Nevada Gaming Control Board who also licenses us.
24 That's only the un-commingled portion of the Nevada
25 handle, so they're highly regulated.

1 If you go up the list, I think you'll find
2 that basically you're talking about regulated entities
3 that have appropriate licensure and are not engaged in
4 illegal bookmaking activities or accepting internet
5 wages from elsewhere.

6 I hope that answers the question. I think
7 John can confirm that relatively easily by making a
8 phone call to the appropriate regulatory agency and
9 making sure they're in good standing.

10 So when our licensing application comes up,
11 we'd be happy to provide you with the appropriate
12 documentation on that.

13 COMMISSIONER SHAPIRO: Thank you.

14 CHAIRPERSON HARRIS: I think that no one could
15 really say with certainty that there are not any rebate
16 shops that are commingling, and that might be a goal,
17 but we're not really there. And I think it's something
18 we need to discuss though, and we've got all the
19 different parts that are raising -- you've got strong
20 opinions on it, but for this purpose we don't know that
21 the right amount of money, according to California, the
22 question is if the rebate is causing any harm or gain to
23 California because of their being able to do it.

24 COMMISSIONER SHAPIRO: One last question.

25 EXECUTIVE DIRECTOR FERMIN: John, I was just

1 going to ask, when is the last time that we've had
2 contact and actually reviewed the list that they
3 submitted?

4 CHAIRPERSON HARRIS: Actually with each meet we
5 receive contracts, signed contracts from each of the
6 locations and we update those to make sure they're still
7 current and so forth. You know, it's pretty much with
8 every meet.

9 EXECUTIVE DIRECTOR FERMIN: But are we having
10 any, you know, real interaction with them to verify who
11 they are?

12 CHAIRPERSON HARRIS: A few years ago, as we all
13 began simulcasting world wide, a lot of these locations
14 were looked at. We understood at that time who they
15 were. And we have done business with pretty much the
16 same set of people for how long now? So we understand
17 who they are. And, you know, we don't check every
18 agency to see if there are any changes there, but we
19 certainly know who the group is.

20 EXECUTIVE DIRECTOR FERMIN: Might be valuable to
21 do some spot checking and see who they are.

22 CHAIRPERSON HARRIS: I'll be talking to my
23 assistant in the simulcast department here today, in
24 fact, in Sacramento and I'll have him just re-run the
25 list and maybe get some updates.

1 COMMISSIONER SHAPIRO: I'd feel more
2 comfortable.

3 CHAIRPERSON HARRIS: It's sort of the elephant in
4 the room that nobody wants to talk about, but it is, you
5 know, a big item of the day. As far as this
6 application, I don't think it's too relevant, but in
7 total it is.

8 COMMISSIONER SHAPIRO: The last question which is
9 under emergency services you have Alameda County Fair,
10 American Medical Response. I'm assuming that's the
11 ambulance that follows the riders around or is available
12 in case there's an accident. Do you employ a doctor?

13 UNIDENTIFIED SPEAKER: Yes, we do.

14 COMMISSIONER SHAPIRO: So you do have a doctor
15 at the track?

16 UNIDENTIFIED SPEAKER: Yes, we do.

17 COMMISSIONER SHAPIRO: Thank you.

18 CHAIRPERSON HARRIS: Anything else on this
19 application?

20 COMMISSIONER SHAPIRO: I move it be approved.

21 UNIDENTIFIED SPEAKER: Second.

22 CHAIRPERSON HARRIS: All in favor?

23 (Ayes.)

24 CHAIRPERSON HARRIS: Thank you. Next item on the
25 agenda is horse racing meeting, Alameda County Fair,

1 dates of June 29th to July 10th.

2 MS. WAGNER: Jackie Wagner, County Staff. The
3 application from Alameda County Fair proposes to race
4 from June 29th to July the 10th, 11 days, which is the
5 same number of days they raced in 2004.

6 They are proposing to race a total of 120
7 races, which is also the same as 2004. They will be
8 racing Wednesday through Monday the first week, and
9 Wednesday through Sunday the second week. Ten races per
10 day will be raced on Wednesday, Thursday, and Friday,
11 and 12 races on Monday, Saturday, and Sunday. Their
12 first post time is posted at 12:15 p.m. The wagering
13 program will be utilized.

14 From this application, the only thing that
15 we are missing is the fire clearance. The items from
16 CARA have been discussed, and the staff is recommending
17 approval of the application contingent upon us receiving
18 that from the representative from the fair in here.

19 COMMISSIONER SHAPIRO: What does it mean on July
20 the 4th? What's the "H" on the application? Does that
21 mean it's a holiday?

22 MS. WAGNER: Holiday.

23 COMMISSIONER SHAPIRO: Same questions with
24 respect to the TCO2 testing.

25 MR. PICKERING: Not to sound cavalier, but I

1 would probably give you that exact same answer. In
2 other words -- my name is Rick Pickering, I'm the CEO of
3 the Alameda County Fair Association. We are looking at
4 a program that will work from track-to-track on the fair
5 circuit. Perhaps Bay Meadows would be benevolent enough
6 to let us borrow their ambulance, but we wouldn't want
7 to put Jackie on the spot in a public meeting, but we
8 have been working with CARP staff, because, again, our
9 goal in only running 11 days is to have a system that
10 can travel and make sense from fair to fair, just as we
11 tried to do with our purse schedules, our wagering, and
12 et cetera. So that's what we're trying to accomplish
13 with CHRA staff.

14 CHAIRPERSON HARRIS: I think all of these fair
15 applications need to be contingent upon the approval by
16 the Board of some protocol. I don't know if they have
17 to exactly mirror what the Southern California tracks
18 are doing, but something where we all understand exactly
19 what the bicarb testing is and, you know, be throughout.

20 MR. PICKERING: We've also offered the
21 opportunity for this Board to meet at the Alameda County
22 Fair track on June 30th. We'd be happy to hold a huge
23 July barbecue. It would be an ideal opportunity for all
24 Board members to tour what we believe is one of the best
25 tracks in California and see what our configuration

1 looks like. Thank you.

2 MR. KORBY: Thank you. Chris Korby, just for the
3 record on the application for the Alameda County Fair,
4 we will work with CHRA staff and come up with mechanisms
5 that are acceptable for you. Thank you.

6 COMMISSIONER SHAPIRO: Thank you. Does it really
7 take 3,500 stalls to put on this meet? I saw that
8 number, and I was like, 3,500 stalls?

9 MR. PICKERING: I believe that's the combination
10 of stalls available between Northern California,
11 particularly between Bay Meadows, Golden Gate, and
12 Pleasanton. Pleasanton we have 700 fixed stalls of our
13 own, and then adding in Bay Meadows, Golden Gate, some
14 of the horses that will race our meets will continue to
15 board in Stockton, where they will jump over us and move
16 up to Vallejo and stable in Vallejo, and then come in.
17 So there's a wide variety of stabling opportunities
18 available in the north, particularly out-of-state
19 horsemen or horses from the south. They come up to the
20 north; we'd like to have a home for them.

21 COMMISSIONER SHAPIRO: You also say here that
22 you're going to do a \$2 twin trifecta. Is that something
23 new? I'm not familiar with it.

24 MR. PICKERING: If I could refer to one of our
25 experts, Mr. Corkis.

1 MR. CORKIS: The wage rate format carries over
2 from what's being done in Northern California already.

3 CHAIRPERSON HARRIS: We don't have that in
4 California now, I don't think. I mean, it's a good
5 idea, but that's not the format.

6 MR. CORKIS: A racing secretary, we have hired
7 from Southern California, Mr. Bombarano, so we're seeing
8 now something that looks different from what we've had
9 in the north.

10 COMMISSIONER SHAPIRO: Well, it's in your
11 application here; it says "wagers," and it says a \$1
12 trifecta and \$2 twin trifecta, and I'm just not --

13 MS. WAGNER: If I may, on the application, that
14 is information to be posted on the application. If you
15 go on to the next page, I believe, their race 1, 2 and 3
16 does not reflect a \$2 twin trifecta.

17 COMMISSIONER SHAPIRO: Right, I saw that. So is
18 their intent to conduct -- or is it just a typo and
19 you're not doing a twin trifecta?

20 MR. PICKERING: That's not part of our --

21 CHAIRPERSON HARRIS: You guys probably
22 shouldn't -- maybe you guys could --

23 MR. PICKERING: What we were asked to do, even
24 though this is not officially a new racing license
25 application from the Board, the first two fairs that

1 were up were Stockton and Pleasanton. And we were
2 actually invited to take out all the license application
3 information and put it into this new draft format. So I
4 apologize if there's any confusion there.

5 COMMISSIONER SHAPIRO: I think if you're
6 attempting to pay twice, it's okay with me.

7 (Laughter.)

8 CHAIRPERSON HARRIS: Just for protocol, it's your
9 application. If you can divide it -- say, by a dollar
10 pick four wagers. If that shows out on races 9, 10, 11,
11 and 12, really, that's the way it's available. If you
12 don't, because you don't -- after that you don't have
13 four races left, so --

14 MR. PICKERING: And lastly, there are new
15 sections to the application with respect to promotion
16 and advertising and all that.

17 COMMISSIONER SHAPIRO: And I notice the last
18 applicant, and you are not filling that in, and I
19 would --

20 MR. PICKERING: Actually, we did submit it as an
21 attachment. We have extra copies available. The staff
22 has copies of that. We provided a copy yesterday. We
23 know that some concerns would be non-fair racing tracks
24 sharing proprietary information. All fair tracks' books
25 are subject to public scrutiny. We were non-profit.

1 They bought the land and gave it to the government. So
2 our attitude is we have no secrets. So if anyone would
3 like a copy of our information, we're very transparent.
4 We do business on behalf of the public like you guys do.
5 Thank you.

6 COMMISSIONER SHAPIRO: Okay. Thank you.

7 CHAIRPERSON HARRIS: Any other comments on this
8 application? Motion to move subject to the total
9 package of the bicarb testing.

10 UNIDENTIFIED SPEAKER: Second.

11 CHAIRPERSON HARRIS: All in favor?

12 (Ayes.)

13 MR. PICKERING: Thank you very much.

14 CHAIRPERSON HARRIS: Next, we have application
15 for license application for horse racing, Golden Gate,
16 Pacific Racing Association, Golden Gate Fields, May 11
17 through June 19.

18 MS. WANGER: Jackie Wagner, CHRB staff. Golden
19 Gate Fields has submitted their application to race from
20 May 11th through June 19th, 29 days. They were
21 allocated 28 days of racing during this time. The
22 Association is requesting to add Wednesday, June 1st, as
23 a race day so it coincides with Churchill Downs. They
24 are proposing to race 8.6 races per day. They will be
25 racing five days a week, Wednesday through Sunday, with

1 eight races each day and nine or 10 races on weekends,
2 holidays, or dates of special interest.

3 They are also requesting the option to
4 conduct more than an average of 8.6 races, if enough
5 horses are available to get additional race days.

6 Their first post time will be 12:45 daily.
7 Their wagering program will utilize ADW rules. And
8 staff would recommend the Board approve the application.
9 We do have a representative from the association.

10 CHAIRPERSON HARRIS: Hollywood Park is 1:20 for
11 their first post. Does that seem to work out, 12:45?

12 MR. TUNNEY: Well, it was 12:45 last year,
13 Mr. Chairman. I'm Peter Tunney, representing Pacific
14 Racing Association, which is Golden Gate Field. And we
15 will amend that to 1:00 o'clock. Jackie Wagner and I
16 are kind of working as a team up here. And I just want
17 to welcome her back, and I assured her that her first
18 time back here in front of Board that there wouldn't be
19 these kind of questions.

20 CHAIRPERSON HARRIS: There's no rule against the
21 Racing Association reading their application before they
22 turn it in, by the way.

23 (Laughter.)

24 COMMISSIONER SHAPIRO: Mr. Tunney?

25 MR. TUNNEY: Yes, sir.

1 COMMISSIONER SHAPIRO: On the simulcast outlet, I
2 know Racing Services, Inc. -- have they been thoroughly
3 reviewed? Racing Services, Inc., is that the same group
4 as it was where there was some controversy?

5 MR. TUNNEY: I can't speak to that. I don't --
6 yes, we have spoken with the South Dakota group, the
7 commission, our counterparts on the commission. That
8 group did implode a while back. Apparently they have
9 now resurrected themselves, new group, new management,
10 new situation where they have now tried to resurrect the
11 business and carry on.

12 Our first comment was why not change the
13 campaign, because you've got a new company here. But
14 for some reason a new group came in, and I think they
15 have, like, three minor locations somewhere around Sioux
16 Falls and Rapid City and other locations, but yes, that
17 is the situation.

18 Unfortunately, the same name, apparently new
19 people. And like I said, I spoke to the executive
20 director of the South Dakota Commission, and he and I
21 discussed that situation, yes. That was some time ago
22 we spoke about it, not like last week.

23 COMMISSIONER SHAPIRO: Well, given all the
24 controversy about that, would you have a big problem not
25 shipping your signals to Racing Services, Inc., or, I

1 mean, anybody that is possibly any company that is
2 associated with illegal gambling. I just have a concern
3 that we're approving -- I don't know about Racing and
4 Gambling Services. Were they part of that?

5 MR. TUNNEY: No, RGS is St. Kitts. They've been
6 checked out by numerous groups various times, and so far
7 they have come out squeaky clean. They have their own
8 operation at St. Kitts. And they send their signal in
9 through their company in Lewiston, Maine, and on
10 occasion they've had some large money bet, laid-back
11 type thing, but we've always checked out, and so far
12 they've come out clean. So they are a legitimate group
13 and doing business properly.

14 CHAIRPERSON HARRIS: They're really -- they're
15 legitimate? I don't know if we could ascertain that if
16 they're not giving rebates.

17 UNIDENTIFIED SPEAKER: Well, actually, their
18 structure is -- there's like a hundred big bettors that
19 belong to this company called RGS, and they make their
20 bets, and then at the end of the year, the company pays
21 a dividend to all the players. So, you know, it's a
22 rebate.

23 COMMISSIONER SHAPIRO: Well, I don't want to
24 hurt -- I'm not looking to hurt Golden Gate, but I am
25 looking to protect us, that we're not involved in

1 shipping signals to a company that's involved in, you
2 know, an FBI investigation and anything else. And if
3 they kept the same name, I'm kind of surprised.

4 UNIDENTIFIED SPEAKER: You're referring to RSI?

5 COMMISSIONER SHAPIRO: Yes.

6 UNIDENTIFIED SPEAKER: I know.

7 COMMISSIONER SHAPIRO: I don't understand that.

8 But I just want to make sure that we know who we're
9 sending the signal to.

10 UNIDENTIFIED SPEAKER: And we have no intention
11 of sending it to someone who has previously had that
12 same difficulty as you discussed. But we would like to
13 reserve the right to be able to come back and have the
14 Board investigate that and then hand that to the Board
15 staff.

16 COMMISSIONER SHAPIRO: I have no problem with
17 that. I just want to make sure that we know who we're
18 sending the signal to.

19 UNIDENTIFIED SPEAKER: Absolutely.

20 CHAIRPERSON HARRIS: I guess one issue is just
21 how often does everyone settle up on these accounts,
22 because it all seems commingled; you owe them, or they
23 owe you. How does that actually work?

24 UNIDENTIFIED SPEAKER: That's almost weekly --
25 some of the big accounts, they have a common bank

1 account where they are cleared out daily. So depending
2 on the size of the action, they have different
3 schedules, but it's very quick, because no one wants to
4 be holding money nowadays. And for the record, we try
5 to work with Mr. Tunney as often as possible. He's one
6 of our favorite people.

7 CHAIRPERSON HARRIS: We need to -- I think it's
8 come up before. We need to get it right. This
9 insurance memorandum, it says that the insured is Magnum
10 Entertainment, also L.A. Turf Club. It doesn't say
11 anything about Golden Gate Fields. We need to make sure
12 it's got the insurance for whatever entity is actually
13 operating Golden Gate Fields.

14 UNIDENTIFIED SPEAKER: Magnum Entertainment
15 Corporation includes Pacific Racing and Los Angeles Turf
16 Club.

17 CHAIRPERSON HARRIS: Pacific Racing, we're
18 licensing Pacific Racing, but what we need to get is,
19 basically, a separate corporation. We need to make sure
20 that all the documentation reflects Pacific Racing, not
21 Magnum, in case someone gets sued.

22 COMMISSIONER MORETTI: Move to accept.

23 CHAIRPERSON HARRIS: Accept. All in favor?

24 (Ayes.)

25 CHAIRPERSON HARRIS: Thank you. Okay. The next

1 item is Item 5.

2 MS. WAGNER: Jackie Wagner, CHRB staff. The
3 proposal to adopt the amended Rule 1615, would replace
4 the scale of weights and set new minimums for weights
5 for California jockeys. The proposal would set minimum
6 weights for jockeys and for Appaloosa, paint, or sorrel
7 horses. The specified weights are indicated in the
8 proposal. In addition, the proposal would also require
9 that every horse carry ten pounds additional weight.
10 This would be listed in the official program.

11 The proposed amendment to 1615 would also
12 include minimum body fat requirements for men and women
13 jockeys. With this package, we also have a proposal to
14 amend Rule 1420, which would delete the definition of
15 weights for age. The package also is a proposal to
16 amend Rule 1616, which would repeal new jockey weights
17 being proposed in Rule 1615.

18 In addition, Rule 1684 would also be
19 repealed as a proposed amendment to Rule 1615, repealed
20 what we call "riding gear," that particular rule. This
21 amendment has been sent out for the 45-day comment
22 period. Comments and supporting documentation have been
23 received from the Association of Thoroughbred Owners of
24 California, and I believe this has been distributed to
25 the Board members.

1 Staff recommends that the Board hear from
2 the parties.

3 CHAIRPERSON HARRIS: Okay. We'd like to hear
4 from the parties, and we have received some of it, and
5 we need some more discussion to take place.

6 MR. FRAVEL: Mr. Chairman, Craig Fravel, Beaumont
7 Service Club. This is one of those occasions when we
8 get to speak on behalf of the vast majority of the
9 industry, all the race tracks, fairs, DOC, and TTT
10 around a single issue, because candidly we think that
11 the proposed rules would be a very difficult proposition
12 for California in particular.

13 I've asked Tom Robbins to hand out a little
14 packet that has a summary of the more wholesome
15 documentation that we've submitted in writing to you,
16 and that's simply a proposal for alternatives to the
17 suggested rules.

18 I wanted to start out with the quote that we
19 found in the Daily Racing Form the other day from Mark
20 Gitry (phonetic), who has just moved to California after
21 riding the silks for a long time, and that quote says --

22 "If everybody in the country would
23 treat their riders like they do here
24 in California, they would have no
25 beefs, no qualms, nothing. Coming from

1 the outside, the difference is
2 unbelievable."

3 Our concern, in part, deals with the fact
4 that those kind of sentiments need be taken to heart,
5 primarily, and one thing we do not want to do in
6 adopting these rules is to hastily rush into something
7 that will be disastrous for California.

8 The part that I didn't quote that Mark was
9 quoted in the article in the Daily Racing Form indicated
10 that the one problem he noticed in California was short
11 fields, and there are days when he only gets one mount.
12 I think you've heard from the racing secretary, who put
13 a lot of time and effort into the proposal, that to
14 adopt this rule in the form that is suggested would be
15 disastrous.

16 We've had many trainers, I don't think this
17 is the usual kind of hysteria that we come to you with,
18 but who have indicated that they have had a difficult
19 enough time keeping owners here in California and
20 convincing them that this is a great place to ride and
21 run.

22 And this particular rule would have exactly
23 the contrary effect of what we're trying accomplish. I
24 would point out that at least two other racing
25 jurisdictions have had this matter presented to them and

1 have indicated their concerns, that unless there was a
2 national rule on this subject, that it would create
3 major problems for competitiveness in the industry.

4 That's not to say that we're indifferent to
5 the issues of riders and the health issues. In fact, I
6 think that passing a good rule that has science base to
7 it and has a lot of thought put into it as far as
8 superior that's based on guesswork.

9 And that's why I've invited someone here to
10 join me today, who I'm going turn this over to in a
11 minute, but I just wanted to review what the proposed
12 rules we're suggesting are.

13 It takes the current minimum weight rules
14 and as on this chart on the third page. It moves the
15 2-year-old, 3-year-old, 4-year-old only races from a
16 current minimum to 112 to 118. Three-and-up races
17 current minimum is 103, would be moved to a 112.
18 Handicaps and stakes, which have no minimum currently,
19 would have a minimum of 110.

20 I do want you to consider that we're taking
21 the issue very seriously. The numbers that are in this
22 have been implemented by the racetrack starting in
23 January.

24 I asked Rick Hammerly and Martin Panther,
25 Rick Hammerly and Mike Harlow at Santa Anita to review

1 carefully their overweights for the Santa Anita meet.
2 They can tell you that they announced overweights for
3 the Santa Anita meet, dropped by 50 percent as result of
4 implementation of these rules, and there was a
5 concentrated group of jockeys who don't ride very much
6 who we were the primary people who were overweight.

7 I think that we're addressing the concerns
8 not fully because there's a lot more to this.

9 The second part of the suggested rule that
10 we've submitted a draft of, requires an annual
11 certification of fitness physical exam. We left open
12 the issue of who would pay for that sort of thing.

13 But I think the Racing Associations and
14 horsemen are prepared to fund a lot of the things that
15 we discussed here, and I'm certainly one. We all hire
16 on-track physicians and would make those available for
17 these kinds of purposes.

18 But there's a certification of fitness
19 requirement, as well as some rules that I adapted from
20 the NCAA wrestling rules, that would prohibit certain
21 weight loss activities in connection with performance,
22 such as the use of diuretics and a variety of other
23 things.

24 I think you can read for yourself -- the use
25 of rubber suits for artificial dehydration. So

1 essentially what we've outlined is a very proactive rule
2 change as well as a resolution directing the staff to
3 perform a number of activities. One -- and I think that
4 this is the most important -- is to conduct along with a
5 Committee of Racing Association, Racing Secretary
6 National leaders, jockey leaders, a comprehensive health
7 body composition survey of the jockey colony.

8 Now, that doesn't mean every single jockey
9 everywhere. It means a representative scientific study
10 to really determine what the status of it is.

11 We hear a lot of claims about situations. I
12 can tell you from a lot of research I've done that there
13 are actually more studies out there than we realize.
14 There's even one in Australia.

15 But also a lot of misinformation and the
16 current rules, unfortunately, from my standpoint, are
17 not based on good science, a good understanding of the
18 science, and ultimately, will not serve the jockeys well
19 in terms of developing good health practices.

20 The second part of that resolution is to
21 direct staff to work with us to develop the rules for
22 weight that are based on NCAA wrestling.

23 The way those operate, basically, there's a
24 certification requirement prior to competition. Where a
25 wrestler goes through a comprehensive body composition

1 analysis, and they are based on that analysis and sort
2 of standardized criteria assigned a weight for their
3 age, height, various other physical and biological
4 characteristics, below which they cannot perform in a
5 wrestling match. So essentially, the determination is
6 that this is a healthy weight for you to perform at.

7 The way that -- and obviously this needs to
8 be worked over, and I don't pretend to have the magic
9 language for this sort of thing. It requires and needs
10 inquiry.

11 But what it suggests is that Rider "A" maybe
12 three to four times a year would go in for body
13 composition analysis, certification, and be assigned,
14 you cannot ride below 118 pounds. And I think that can
15 be done in an objective defensible fashion. It's good
16 for the rider and good for the business.

17 It allows predictability for the public. It
18 allows predictability for the rider. It also takes the
19 heat off the rider in terms to make weight for certain
20 kind of horses where a trainer might otherwise take them
21 off or threaten to take them off if they couldn't make a
22 certain weight.

23 And the implementation -- while I haven't
24 pretended to flesh that out entirely, I think it would
25 be far superior to what we do currently.

1 Third component of the suggested resolution
2 is to petition the RCI, Racing Commissioners
3 International, to develop a national rule for the
4 program weights procedures for weigh-out and weigh-in.
5 As we've testified before on some of these regulations,
6 we think it's particularly important that whenever a
7 rule like this gets implemented that we all be on the
8 same page across the country.

9 The simulcasting, horses moving from one
10 place to another, riders moving from one place to
11 another, to adopt individualized rules like the current
12 one without the rest of the country being in sync with
13 us, it's a little negative for the business in general.

14 I think we work very hard to come up with
15 national medication rules, national licensure, and all
16 of the sudden. We're going tell everybody that
17 California is going to go its own way, and when you look
18 at a program of California race in it, it's going to be
19 apples and oranges.

20 We think it's important that you work with
21 the RCI to develop a national rule for all of these
22 things.

23 The fourth component of this is an immediate
24 review of the weigh-in and weigh-out procedures. And as
25 you can see from the bottom of the slide there, I think

1 we're still in the days -- or very close to the days
2 when jockeys weighed in a jockey scale with leather
3 seats and little things that you put out to them.
4 I noticed Hollywood has gone to a digital scale.

5 But I think that we have a long way to go in
6 terms of really solidifying our weigh-in and weigh-out
7 procedures. And this is something that can be done in a
8 matter of weeks. You know, it's not something that has
9 to take three or four or five months, six months to a
10 year.

11 We can work together immediately to get
12 digital scales, with digital readouts, computer-assisted
13 documentation so that we can immediately clean up
14 whatever problems there are in the weigh-in and
15 weigh-out procedures, and we need to do that yesterday.

16 And I think a big part of that is -- a
17 concern in this 10-pound equipment issue relates to
18 whether or not there's inaccurate weighing-in and
19 weighing-out going on.

20 That may be the answer. I candidly don't
21 think it is personally, because I think we ought to be
22 looking for ways to reduce the weight of the equipment
23 and find good safety vests and good helmets and lighter
24 whips so that we can reduce the amount of equipment the
25 horse carries and allow the jockeys to ride at higher

1 weights. But I think that's something we all need to
2 work on very carefully together.

3 And finally, a very important part of this
4 is the development of a nutritional and educational
5 counseling program and not just for the riders. It
6 starts for the riders. It also extends to the trainers,
7 owners, and everyone in this business. So that we
8 understand the risks and the health implications for
9 riders carrying low weights, first of all.

10 But secondly, what we can do to either allow
11 them to maintain a healthy lifestyle at those weights or
12 ultimately increase the weight standard and still have
13 the industry advance.

14 That's essentially the proposal. A lot of
15 this thought behind us candidly started with -- I was
16 referred by Robert Coltin (phonetic) who was formerly
17 with the Jockeys Guild to the NCAA Rules and the NCAA
18 Sportsmen Handbook. And while I was reading the section
19 on body composition analysis, I saw an acknowledgment to
20 a Dr. Dan Brenerdon (phonetic) who drafted those
21 provisions, and I read them, and they sounded very
22 intelligent and in many cases contrary with some of the
23 testimony that I have heard from certain sources in the
24 conduct of these rules.

25 So I called Dr. Brenerdon. I actually sent

1 him an email, and he answered me within several hours.
2 He said he thought this was a very interesting question.
3 He is the co-director of laboratory for the Lead
4 Athletic Performance in the Georgia State, nutritionist
5 for the U.S. Olympics gymnastics teams in Atlanta and
6 Athens. He's written a book. He handed me a book this
7 morning with the forward that he had written with two
8 other people, with a forward that comes from Arnold
9 Schwarzenegger. So he comes with high recommendations
10 and qualifications.

11 Tom Robbins and Drew and I had dinner with
12 Dr. Brenerdon last night. My head is candidly still
13 spinning, and Drew and Tom and I are all going to eat
14 about eight meals today so we can live up to some of the
15 education we got.

16 But I asked Dr. Brenerdon to be available so
17 that he can maybe present his thoughts on the purposed
18 rules and a little education and background on these
19 things.

20 DR. BRENERDON: Thank you. It's nice to be here.

21 Commissioners, before you, Craig gave you
22 something that I wrote up. I don't know if you have had
23 an opportunity to read it or not. You are welcome to
24 contact me after you have read it and ask me additional
25 questions beyond today.

1 One of the first things I did, as I think
2 any scientist would do, is to look at the existing body
3 of knowledge on jockeys, and there's precious little
4 information. I did a comprehensive med-line search, and
5 I found seven studies that were published that were on
6 jockeys having to do with injury rates and having to do
7 with body composition and dietary habits.

8 These studies, except for one that was
9 published from the United States Jockeys, dealt
10 primarily with injury risks. I found, by the way, that
11 there are 606 injuries per 1000 jockeys a year. That is
12 another way to put it: For every year that a jockey
13 spends riding, there's a 60 percent chance of a serious
14 injury.

15 Except for those, the New Zealand study and
16 Australian studies and the one study from England, I
17 found that eating disorder patterns are rampant, injury
18 frequency is high, and may be related to a certain
19 extent to the dehydration and eating behaviors of these
20 athletes. And often these injuries take these athletes
21 out of the sport for four or more months because of the
22 seriousness of the injury.

23 There are a lot of weight restriction
24 modalities that involve dehydration which are very
25 common. These don't just involve the taking of

1 diuretics, but involve putting on rubber suits, as Craig
2 mentioned earlier. It involves taking certain drugs
3 which may assist in weight reduction and so on.

4 Body composition levels in a study on New
5 Zealand jockeys, I felt, was very interesting. The
6 average body fat level for the male jockeys in this pool
7 of jockeys was 11.7 percent, the minimum.

8 If you look at the standard, it was as low
9 as 8.8 percent with a high of 14.6 percent. The female
10 jockeys in this pool, the average body fat percentage
11 was 23.6 percent, with a minimum 19.8 and a maximum of
12 27.4.

13 I read these numbers to you for one main
14 reason, and that is to tell you that when I look at
15 minimum values of 5 percent, they are dramatically low,
16 unrealistically low. They're so low, they really fall
17 within the standard error of estimation of most methods
18 that would determine body fat percent. And given the
19 standard error of estimation, you may put people in the
20 minus numbers of body fat percentage, which, of course,
21 is not possible.

22 The newer methods for body fat percentage,
23 the criterion method is based on DEXAC dual energy extra
24 absorbed calories. And just to give you an idea of some
25 standards, there are healthy females about 30 percent

1 body fat; a healthy male is about 25 percent body fat.
2 United States women's gymnastics team in 1996 on DEXAC,
3 the average body fat percentage was about 15 1/2
4 percent. This is a very lean group.

5 I currently work with USA track and field.
6 We've got marathoners and long-distance runners in my
7 lab all the time. We expect numbers on the DEXAC
8 somewhere in the area of 12 percent, 13 percent, for
9 both the male and female runners. Perhaps the male
10 runner is slightly lower.

11 So in my opinion, anyway, is that those are
12 really quite low. Although, I also have to say that
13 because I've only seen one survey that actually assessed
14 body fat percent in the jockey population, I don't think
15 we can accurately tell what that reality is. I think
16 we'd have to, as Craig said, do a good survey using
17 multiple methods to really get a realistic idea of what
18 this populations body fat is.

19 I might also say that given the restrained
20 eating patterns that we see in jockeys, which we talked
21 about extensively, that the opposite occurs of what I
22 believe people believe occur. And that is, when people
23 go on restrained eating patterns, it's not body fat
24 percent which drops; it's lean body mass that drops.
25 Body fat percent actually increases.

1 If I can give you an example of this, this
2 is an extreme example, but I think you'll get the point.
3 When somebody dies from an anorexia nervosa, if you look
4 at the autopsy reports, what you see is somebody who has
5 had a terrible loss of the lean body mass, a tremendous
6 loss of muscle mass. The weight of the heart is
7 50 percent of normal.

8 But if you were to calculate body fat
9 percentage on these anorexia nervosa fatalities, they
10 have a very high body fat percent. That is a percent of
11 total body weight. Body fat doesn't change very much
12 when somebody goes on a starvation syndrome.

13 What changes is the metabolic mass, the
14 body's attempt to adapt to an inadequate caloric intake
15 by lowering the metabolic engine, by lowering lean mass,
16 not the fat mass.

17 So there's a general misunderstanding of
18 that, and I think by establishing the rules of which are
19 really so low in body fat percentage, it's really
20 missing the point.

21 Perhaps what the rule should be is that for
22 a given height of a jockey, there should a minimum of
23 lean body mass. A minimum fat mass really doesn't help
24 us understand what the health status of that jockey
25 really is.

1 I believe the goal here is to create a
2 healthy situation for jockeys and their mounts,
3 actually, because an unhealthy jockey, I think that puts
4 the horse at risk as well, and to make changes that will
5 be perceived by the public as being less problematic.

6 To achieve this, I think there are certain
7 steps which are necessary. I think a good survey that's
8 done not just in California, but around the country of
9 jockeys that is a representative sample of the jockey
10 population as a whole. And there are survey techniques
11 which are available to us to help us understand what the
12 power of analysis would be in order to achieve this.

13 And in doing this, I think we'd understand
14 what the normal values are for the jockey population,
15 and only when we know what those normal values are, can
16 we make rational recommendations on how we perceive what
17 a jockey should look like. What values are out of the
18 normal range for human population? What should the body
19 percent really be?

20 So, I think a survey that looks at
21 biometric, anthropometric, psychometric data to get an
22 idea of eating disorder risk and body measurements and
23 blood values, I think that would be very useful, and
24 from those, to develop a set of recommendations that all
25 parties would agree on would be fair and, most

1 importantly, achievable.

2 I think the worst that could happen is to
3 set recommendations that nobody could achieve, that are
4 unrealistic, as Craig said.

5 I think, an education program is critical
6 here because there is a general population
7 misunderstanding of what happens when people don't eat
8 right and what we could expect the body composition
9 values to look like in those populations. So some
10 nutritional and health education program for those
11 involved in horse racing would be important.

12 And other stuff would be to work with an
13 oversight group, such as your own, to phase in the
14 probable rule changes that might be needed to help
15 jockeys achieve the required goals.

16 In fact, the weights which are proposed here
17 may or may not be realistic because at the moment we
18 really don't know what a healthy weight and height for
19 this jockey population is because there isn't enough out
20 there to understand that.

21 I can't emphasize enough how important it is
22 to understand that some of these very, very low body fat
23 levels that are terribly unrealistic in this population.
24 The methods that jockeys currently use to achieve weight
25 loss are counter-productive for them.

1 One of the things that in general people
2 should understand is sports nutrition. I really
3 shouldn't say this, because I am a professor of sports
4 nutrition. So I don't want to belittle my field. It
5 really involves just two things: (1) when somebody
6 exercises, the rate of energy expenditure goes up, and
7 because we're only about 30 percent efficient at
8 converting energy burned mechanical force, about 70
9 percent of the energy that is burned is lost in the
10 heat, so body temperature goes up.

11 The only way to control temperature is by
12 sweating. So the act of being physically active really
13 involves two things: An increase in energy expenditure
14 and a decrease in fluid loss.

15 In the surveys that I've seen, jockeys and
16 other athletes who are in weight-control sports, they
17 don't eat enough, and they don't drink enough to support
18 optimal physical activity.

19 There are ways, however, to achieve an ideal
20 body composition and an ideal weight that would make the
21 jockeys better athletes, more resistant to health
22 problems, and have better endurance and fewer injury
23 risks. If they went about achieving weight in a more
24 rational way -- and some of the information that you
25 have before you explains some of those methods. I know

1 Ingrid read them, she mentioned them earlier.

2 A lot of this has to do with energy balance.
3 That is, calories in, calories out. But it's not that
4 simple. It's how you take in the calories and how
5 they're burned. And one of the things we've learned is
6 that the dynamics of energy intake and the dynamics of
7 energy expenditure should be closely matched in order to
8 achieve what they want.

9 Ultimately, jockeys who are dehydrated and
10 underfed really can't perform up to their conditioned
11 ability, and they represent a danger to themselves and
12 the industry as a whole.

13 I'm happy to take your questions.

14 COMMISSIONER MORETTI: Doctor, thank you very
15 much. I just have a basic overall question.

16 In our experience, in terms of the time
17 necessary to collect some of the research that you're
18 talking about, looking at the jockey colony, what kind
19 of time are we talking about? Are we talking about a
20 multiyear study? How long are we talking about? How
21 long would you anticipate to get the basics so that we
22 could make an intelligent decision?

23 DR. BRENERDON: There has to be a certain amount
24 of planning, and there has to be a research group in
25 each area, and in this case, it would be in each state.

1 We could work through medical associations or statewide
2 medical associations to garner experts to help in
3 obtaining the data.

4 Once a survey like this is initiated, it
5 probably takes a matter of a couple of months to get the
6 information that you need, an additional two months to
7 analyze the information, but more importantly than that,
8 it takes perhaps three to four months to have an expert
9 make a good determination for this population.

10 "What are the critical items that should be
11 garnered and how best to gather the information?"

12 Just to give you an example, there's an
13 eating disorder inventory called EAT. It's an Eating
14 Attitude Test. But EAT would have a number of versions.
15 And we would have to actually talk with some -- a
16 psychiatrist to decide which of those versions would be
17 best for this particular population.

18 There are a number of those types of
19 contingencies that would have to be resolved in order to
20 have a really solid publishable survey that everybody
21 could buy into, both safe for the athletes and
22 collecting the data, where we could guarantee
23 confidentiality of all the athletes who are being
24 assessed and where everybody who looks at the data
25 understands that they were collected in a way where they

1 are valid.

2 So setting up that kind of system perhaps
3 takes longer than collecting the data itself. I would
4 say from the time of initiation, perhaps one year from
5 the time we start the planning process, and from the
6 time we finish analyzing the data in a cross sectional
7 one-shot data collection, perhaps one year.

8 COMMISSIONER SHAPIRO: Dr. Brennerdon, it's my
9 understanding, and speaking with Dr. David (inaudible)
10 also, that he prepared a memorandum which he sent to me,
11 which was actually a copy of what was sent to you, which
12 outlined the various tests that he was recommending. Am
13 I to assume that he would be working with you on this
14 study?

15 I mean one -- I think -- goes to
16 Commissioner Moretti's comment is I'm in full favor of
17 what you're suggesting, and I think this is the right
18 approach to get to the bottom of this problem. The
19 issue is time. Is there any way in which to expedite
20 this?

21 I know that the Northern California jockey
22 colony was willing to participate in a study with a
23 precursor study of that colony now where we have a group
24 of jockeys that are willing to participate. Would that
25 allow us to expedite this so that we could get to an

1 answer sooner than later?

2 DR. BRENERDON: What you're proposing is a
3 pretest to a larger test, and that's a standard protocol
4 for large surveys is to actually test the instruments to
5 make sure that they actually work.

6 But it's also very important to understand
7 that a pretest is exactly what it is. They tend to not
8 be representative of the population as a whole. And I
9 think if you try to say that this is a small population
10 which may be collective in Northern California, if
11 that's where it is, is representative.

12 I think you could get in trouble because
13 people would say, "Well it's not representative. So
14 your data are not valid."

15 However, I would recommend a small pretest
16 mainly for the purpose of testing the protocols to make
17 sure that what we would intend to do nationally actually
18 works and for getting the kinds of information that I
19 think we need to get.

20 I have had some very fruitful conversations
21 with Dr. Seftel (phonetic). He has some excellent
22 ideas. He has some very good insights on the jockey
23 population. I have every confidence in him and with
24 several others who are researchers -- we come together
25 and really put together a good protocol for gathering

1 data.

2 I have not been asked to do such a study.

3 I'm just giving my opinion. One of the things that's
4 important to understand is that I have an NIH study, an
5 American Cancer Society study, two patents, and several
6 other projects outside of my normal university teaching,
7 and most other researchers are the same. That is, they
8 tend to have things lined up. And to ask somebody to
9 take on a whole other layer of studies has to be put in
10 the context of where can I fit it in. We would have to
11 find researchers who are ready, willing, and able to do
12 the kind of work that's necessary.

13 Perhaps a conference on jockey health that
14 would draw physicians and others from which we could
15 draw population around the country that could
16 participate in a nationwide representative sample
17 survey. And I'd be more than happy to give my two bits
18 with that as well. I have not been asked to do such a
19 survey.

20 COMMISSIONER MORETTI: When you looked at the
21 wrestling rules, was that done strictly on a national
22 basis, or was that done on a state-by-state basis?

23 DR. BRENERDON: The NCAA has some level of
24 control leverage over all NCAA institutions, in that
25 when they establish rules, they, in effect, become the

1 standard for all NCAA participating agencies. I
2 personally was not involved. I was a reviewer for the
3 wrestling rules but wasn't involved in putting them
4 together.

5 They were put together exactly the same way
6 I'm talking about. Groups of scientists getting
7 together taking surveys, looking at the data available,
8 and making the determinations on the best way to assure
9 of wrestler's health. They could not have made those
10 recommendations without first knowing clearly what the
11 wrestling population looks like and what their current
12 state of affairs is.

13 EXECUTIVE DIRECTOR FERMIN: I got a question.

14 Craig, you mentioned other states are
15 interested, or have you talked to other people?

16 MR. FRAVEL: No, I haven't talked to anyone.
17 Candidly, everything I have is just out of the
18 newspapers. And Barry can answer this more fully than I
19 can. There were presentations made, I believe, in
20 Kentucky and Illinois. And the response, that I read
21 just in the paper from both was that "we'd like to
22 address this problem, but we want to address it on a
23 national basis because if we did it in Kentucky alone or
24 Illinois alone, it would put us in a difficult,
25 competitive position and not really accomplish the

1 goals."

2 COMMISSIONER SHAPIRO: I might be able to add to
3 that. I did -- last week when I was at the RCI in
4 conference, I did bring this up at a board meeting of
5 the RCI meeting, and I spoke with a variety of
6 commissioners in other jurisdictions, including
7 Illinois, Ohio, Kentucky, and New York, and all of them
8 are interested in this issue. All of them, I think,
9 recognize this is an issue that racing needs to address.

10 We need to address it on a national level,
11 and I think that they would all be willing to
12 participate. I received a letter, an unsolicited letter
13 dated April 25 from the TRA, expressing desire and
14 willingness also to participate in addressing this issue
15 on a national level.

16 So while, obviously, very concerned by
17 California, I think we could garner support, and I do
18 agree that RCI is a forum to bring in the regulators to
19 help address this problem.

20 MR. FRAVEL: What we're suggesting here is not a
21 status quo. It is an increase in the scale. Immediate
22 or as soon as that can be adopted. In fact, we've
23 already done it. It's had a very positive impact so
24 far. And the other stuff and the purposed resolution
25 are very proactive, but I just think it's vitally

1 important that whatever we do, if you're going to get
2 people to accept it and buy into it and adapt to it and
3 have the business thrive, it's got to be based on good
4 science.

5 And what we have in front of us right now is
6 not based on good science. And I can't urge you more
7 strongly to consider what you've heard and consider the
8 proposal that the tracks and the horsemen and fairs have
9 put in front of you.

10 CHAIRPERSON HARRIS: We should hear from the
11 Jockey Guild on this.

12 MR. BROAD: Barry Broad on behalf of the Jockey's
13 Guild. Well, there's the old statement that "justice
14 delayed is justice denied." And I appreciate
15 Dr. Brenerdon's knowledge and expertise in this area,
16 but this is an occupational safety and health crisis you
17 have on your hands. It's not merely an academic
18 subject. This is a sick jockey population, and I've
19 looked at the proposal.

20 I talked to Mr. Ravel. I believe
21 Mr. Fravel's one of the smartest people in the industry,
22 and I appreciate his involvement because that means some
23 real brains are getting put into this thing at this very
24 late date.

25 I think the intent is there. The proposal

1 that I saw is unconstitutional on its face. It gets in
2 the middle of doctor-patient relationships. It would
3 have the state determine what is excessive food content
4 or consumption. It would prohibit the use of diuretics.
5 Diuretics, for example, are prescribed for high blood
6 pressure. I don't think that you can get in the middle
7 of the doctor-patient relationship. That's
8 unconstitutional on its face.

9 The weight standards proposed here are
10 entirely arbitrary. They are not based on any
11 scientific study. They're just lower or what these guys
12 think they can live with without changing very much.

13 Now, I might be prepared to amend my bill to
14 say that the weight shall be the standard by which 95
15 percent of the current California jockey population will
16 meet -- will be in total complete health, and we'll just
17 force you guys to adopt whatever meets the standard that
18 he's suggesting. We can make it 11 percent body fat.
19 Whatever is proposed, that's fine. They just may have
20 to weigh a minimum of a 128 pounds to meet that
21 standard.

22 If what we're talking about the optimum
23 health of these workers, I think that might be okay with
24 us. I think Dr. Brenerdon misunderstands the proposal
25 in front of you, which is that -- we're not saying a

1 jockey should have 5 percent body fat, but they can't go
2 lower than that. They should have a higher body fat.

3 We agree. We agree. However, I do believe
4 there's a danger here of studying this to death, and
5 there's a couple of other dangers. One, I think it's a
6 little bit dangerous to have Dr. Brenerdon -- and I
7 think he may be the right guy along with Dr. Seftel to
8 continue to study this matter -- so he should be in the
9 employ of the state, not in the employ of the
10 industry -- that any discussion of this and study of
11 this should include experts in Occupational Safety and
12 Health, not just experts in sports medicine, because
13 this is a worker's safety issue, and that's an entirely
14 different field -- sports medicine from occupational
15 safety and health.

16 Frankly, there's nothing that I've seen here
17 or heard today that suggests to me that you shouldn't
18 adopt the proposal before you. The NCAA sports and what
19 not, these are people that are doing this for a period
20 of years. It's not their occupation. They're not
21 driven by the same pressures that exists for jockeys.
22 And frankly, maybe this discussion was something that
23 should have been started a while ago.

24 I think you should think about adopting the
25 regulation. You should vote on it today, up or down,

1 one way or another. If it's going to be put out of its
2 misery, then put it out of its misery and move on to
3 whatever you think is the right thing.

4 There are some parts of this that I think
5 bear discussion. I think it probably is sensible to
6 talk after a regulation is adopted whether some
7 supplementary practices need to be dealt with, including
8 the prohibiting of certain dangerous practices.

9 But if the weights are too low, then
10 objectively, for human beings to make -- and we contend
11 that they are, and I believe everybody knows that they
12 are -- then people will continue to do what they can to
13 earn a living, and there comes a point where it's just
14 time to do something.

15 And what I've heard today suggests to me --
16 I mean sort of a recipe of what we call in the lobbying
17 business of "loving something to death," which is, we're
18 going to massage this and love this whole thing, and
19 we're going to send it to RCI, and who is that but a
20 group of you guys who get together once a year in
21 convention, and maybe something will happen. And then
22 in Kentucky, they'll decide that they don't like what it
23 is, and nothing will happen.

24 And at some point, and I don't know what
25 that point is, our patience is going to run out, and

1 when our patience runs out, we're going to pull the
2 trigger that we have, and the trigger that we have is to
3 invoke OSHA'S jurisdiction over this sport. And we'll
4 let the folks who deal with Occupational Safety and
5 Health determine whether the general safety and health
6 of jockeys is being protected, and whatever will come of
7 that will come of that.

8 I'm not sure that it will be -- I think
9 there could be a shocking problem for the industry if we
10 pull that trigger. So, you know, I've tried to work for
11 a year and a half to deal with this. We got a bill in
12 the legislature to deal with this.

13 I don't know how long it takes to study, how
14 sick a hundred jockeys are in California. I don't know
15 why we have to study all the jockeys across the United
16 States. I don't know how long it takes to figure out
17 that this is a sick population. I don't think it's very
18 difficult to figure out what the -- what the minimum
19 body fat content -- if we want to add lean body mass
20 ratio to it, that's fine. But I do believe that a
21 process that slows this down to some kind of death crawl
22 towards nothing is not going work for us because the
23 fact of the matter is, you've got a sick population
24 today, and the responsibility of this Board is to that
25 jockey population today.

1 Nothing is perfect, but I think our proposal
2 or the proposal that you have before us, which, frankly,
3 we have concerns about the weight is not high enough.
4 That proposal that you have before you at least begins
5 to deal with the issue, and it deals with the issue of
6 transparency, and it deals with the issue of the way
7 weighing is done, and it needs to be adopted.

8 Thank you.

9 CHAIRPERSON HARRIS: We'll take a ten-minute
10 break.

11 (BREAK IN THE PROCEEDINGS.)

12 MR. COUTO: This issue has been in front of the
13 Board since, I believe, July of last year. Despite the
14 fact that Mr. Broad may have been working on it for a
15 year and a half, it was presented to the industry in
16 July of last year, and I commend Mr. Broad in bringing
17 our attention to this serious health issue.

18 But it is serious, and it deserve more than
19 simply the setting of an arbitrary weight. That will
20 not correct the serious health issues that Dr. Brennerdon
21 explained to the Board today.

22 Sort of anecdotally, I would be
23 uncomfortable if I were to go to a doctor and tell them
24 that I had a problem and asked the doctor what to do,
25 and that doctor recommended a cure without ever

1 performing any tests on me to figure out what my problem
2 is.

3 This is a complicated issue. And the health
4 of riders, as Mr. Broad said, is an issue of health --
5 Occupational Health and Safety. While health is key
6 here, we've been told in order to set a weight that is
7 sensible and healthy for riders, there is much more to
8 do than simply the establishment of an arbitrary number.

9 Unfortunately, solving difficult questions
10 takes time, and this is a very difficult question. A
11 moving ahead because it's expeditious to change a weight
12 to make someone happy is not going to protect the
13 riders. And as we've said throughout, many of our
14 owners have relationships with the riders, and we've
15 supported weight increases in the past, we support
16 looking at the health issues. We'll do whatever is
17 necessary. But we don't think it is appropriate to just
18 set an arbitrary weight in which you've had no medical
19 information to support that 118 or 116 is the
20 appropriate number.

21 All the information in front of you has been
22 confirmed repeatedly that the factors relate to lean
23 body mass, body fat, hydration issues, that are not
24 being addressed by this regulation. TOC is asking the
25 Board to take a patient, measured view. That doesn't

1 mean to love it to death, to deny dealing with it. It
2 means to take a rational, learned approach to solving
3 what is a serious complicated issue.

4 You have a commitment of Mr. FRavel on
5 behalf of Del Mar. I know you have the commitment of
6 the other Racing Association. You have the commitment
7 of TOC that we will work together with the Board, with
8 the Guild, with others in the most expeditious manner
9 possible, but in a reasonable measured means that
10 eventually produces a rule that ensures the safety of
11 the riders, their health and safety, not simply put a
12 cosmetic increase in weight that wouldn't do the things
13 that have been laid in front of you as necessary in
14 coming up with the solid health program.

15 So you have TOC's commitment that will work
16 with whomever in a very expedited fashion, and we'll
17 come up with a solution. But we ask you not to adopt or
18 move this rule forward, which is an incompetent rule
19 that will not solve the problem.

20 Thank you.

21 MR. HALPERN: California Thoroughbred Trainers. I
22 was disappointed that after hearing the doctor's
23 presentation, the Guild was not able to come forward and
24 say, "We really care about our members and our jockeys,
25 and we would like to see that they be done right by, and

1 that we use science to solve the problems that we
2 perceive."

3 What they did instead is, they came back
4 with the hysterical claims that were made a couple of
5 months ago or a few months ago, that we don't weigh
6 enough, that we have 1 to 3 percent body fat -- if you
7 recall, this is the science they presented to you so
8 far -- and we have a sick and unhealthy population,
9 again, without any specific examples, without any
10 jockeys coming in and saying, "I have this problem and
11 this problem and this problem." So that they've made
12 these hysterical claims, and if they felt that you were
13 not going to accept these hysterical claims, they've
14 threaten you; they've cajoled you; they've threatened
15 your nominations; they've threatened to go to the
16 legislature, now threaten to bring in OSHA and the CIA
17 and the KGB and God knows what's next.

18 The truth is that this is not really, at
19 this point, with the Jockey Guild, a health issue. It's
20 a weight issue. They don't want to look at the science.
21 They just want to show their members that they can get
22 something done.

23 But you have a higher duty than that, and we
24 all as an industry have a higher duty than that. That
25 is to find out how we solve the perceived problems. To

1 find out if there's a real problem and do something
2 about it.

3 Raising the weight to 116 is not going to
4 solve any problems. It doesn't show -- we have no
5 evidence that at 116 they'll be any healthier than they
6 are now, assuming that they're unhealthy.

7 One other thing we want to consider when we
8 talk about an unhealthy population here, as I understand
9 it, and I'm not exact on these figures, but I think at
10 about 160 jockeys, well more than half, and probably
11 with a 100 of those jockeys, I believe, ride less than a
12 hundred mounts a year. That's two a week.

13 Well, if you're riding two a week and you're
14 not taking care of your physical health by either having
15 a full-time riding job in the morning and going to the
16 gym in the afternoon, you're probably going to have a
17 health problem or a problem getting down to the required
18 weight. But if you're only riding a couple of races a
19 week, and I believe with about 50 of those jockeys, it's
20 less than one a week, it's not really an occupation;
21 it's an avocation.

22 So that -- I don't believe that if we're
23 pointing our efforts towards that segment of the
24 population, we ought to be doing things that will take a
25 chance on decimating our horse population and further

1 destroying the industry as we now know it.

2 I've talked to a number of trainers about
3 this issue, and you've seen them before. You've heard
4 their opinion. I've talked to Bradford, Lucas and
5 Mandella and the opinion is unanimous. If we adopt this
6 increased weight, you will not see young horses in
7 California. They will run their horses somewhere else.

8 John Saddler is here. And I'm sure he'll be
9 glad to confirm that, and maybe we'll take a minute to
10 do so when I'm finished.

11 What I would ask that you do is to take the
12 short time that was asked to put together a real
13 program, not to be bullied, and to take the time to
14 stand up and to say that we're not going to be
15 intimidated and that we're going to do what is right for
16 the population, and we're going fulfill our duty as a
17 Board that's familiar with the industry to take care of
18 the people in the industry in the correct manner.

19 Thank you.

20 MR. SADDLER: John Saddler, trainer, owner, TOC
21 Board member.

22 I think we're very well represented by Ed
23 Halpern. He's expressing the sentiment of all the
24 trainers in California, and I just kind of wanted to
25 reinforce what he said and tell you that this is the way

1 most of the -- all the trainers feel.

2 Also, we had a couple of good meetings at
3 Santa Anita with the jockeys, and it was not my
4 impression that this was as much of a crisis as
5 Mr. Broad states it is. They seemed to be pleased with
6 the way things work, how we've been working with them,
7 how we've already increased the scale. They understand
8 the situation we are in here in California with horses
9 leaving the state. And actually, quite a few riders are
10 leaving the state because there's no horses for them to
11 ride here.

12 I strongly recommend that you don't adopt
13 the 1616.

14 CHAIRPERSON HARRIS: Comments from the audience?
15 We need to move along here.

16 My thought is that we really want to protect
17 the health of the jockeys. And it is of concern with
18 the eating patterns and dehydration and all these things
19 are contributing to injuries and also contributing to
20 the jockeys that are performing to their peak abilities.
21 But I don't personally feel that carrying a few more
22 pounds would be that big of a problem for the horse.

23 But I think a lot of the evidence has been
24 brought out today, and a lot of the dialogue does
25 indicate that we haven't really given this whole matter

1 the study that it needs.

2 I'd hate to delay it, but I think we need --
3 if we do pass this, we would be the first state to do
4 something. I think if we do that, we have to be
5 prepared to feel that whatever we do really has a lot of
6 substance to it.

7 COMMISSIONER SHAPIRO: I'd like to make a few
8 comments. First of all, I personally have a very strong
9 commitment, and I think that everybody here does have a
10 very strong commitment, to see if we need to revise the
11 jockey weight and health issues. It's time that we
12 found out. I agree with Mr. Broad that if there's a
13 problem, we need to deal with the problem.

14 But the question is -- and the only way I
15 believe we can figure that out is to do a study. I
16 certainly do not want to see a death crawl to nothing.
17 I don't believe that's the way the industry feels, and I
18 don't believe that's the way this Board feels.

19 I don't believe this is a Jockey Guild
20 issue. This is an issue about the jockeys. And we care
21 about the people in the room. This should not be an
22 issue where it's tracks versus the Guild or any other
23 segment.

24 These riders are people that we need in this
25 industry. They're great people. And we need, want to

1 find out what is in their best interest. And to do
2 that, I think we do need a study. We certainly want to
3 stop the health practices.

4 I do believe that while we perhaps can
5 conduct a study, we should move forward and eliminate
6 every known health practice that is unhealthy as soon as
7 we can.

8 I think that any facilities or racetracks
9 that are encouraging -- flipping or any other things
10 should be taken out and should be eliminated. That's
11 something that we can do today. I also believe that we
12 have to protect ourselves here in California in terms of
13 the horse population.

14 I originally voted in favor of the 1616.
15 But upon further discussions with people in the
16 industry, I came to realize that part of horse racing
17 involves weights, and weighing is done to handicap
18 races. And there are situations where we cannot put
19 horses of different ages, 3- and 4-year-olds racing
20 against each other starting at 116 pounds and go up.

21 Though to create the weight of differential,
22 you have to be able to go down. And I don't believe
23 that one size fits all. That means that there may be
24 jockeys that can ride light, and there's some that can't
25 ride light. In those situations where weights are less

1 than 116, the light jockey is going to have an advantage
2 over the heavy jockey.

3 I don't believe every jockey has to weigh
4 the same. And trainers will have to decide where they
5 put their horses. But we can't continue to hurt our
6 field size by forcing people into races with weights
7 that are disproportionate to the rest of the country.

8 In the material given to us by the TOC and
9 the various tracks, there was approximately ranging
10 from -- other than for the meet that we're currently
11 at -- I said the Hollywood Park spring, summer meet,
12 those races which are less than a 118 pounds only
13 account for 7 percent down to 1 percent of the races.

14 So the problem is really one of fulfilling
15 races. Now, I certainly believe the jockey's health is
16 more important than the horse's health, but I think that
17 it behooves us as a Board to look to adopt, moving
18 forward on an immediate basis, the Racing Secretary's
19 proposal which is contained in this report and in all
20 instances save one that I could find, increases the
21 minimum weight by approximately 2 to 4 pounds.

22 By doing that, we will at least be adjusting
23 upwards, and the charts in here are very illustrative
24 that weights have increased over time.

25 But to reflect that issue and maintain our

1 commitment, I think that we should adopt the Racing
2 Secretary's proposal for minimum weights as contained in
3 this report. I think we should mandate a study done
4 pursuant to what Dr. Brenerdon illustrated to us and to
5 try to move this along as quickly as possible.

6 CHAIRPERSON HARRIS: Comments?

7 UNIDENTIFIED SPEAKER: Just to clarify --

8 CHAIRPERSON HARRIS: -- has already passed the
9 proposal regulation as the Jockey Guild originally
10 proposed California Board in July of last year. They
11 adopted it verbatim. It also -- conversation with two
12 other states that are interested in the adopting the
13 proposal as the Jockey Guild.

14 Quite frankly, I can't name those states.
15 The Racing Secretary over in Colorado have been getting
16 calls on a daily basis from the Racing Secretary, Racing
17 Associations here in California, badgering them for in
18 fact passing the scale of weights, and they are getting
19 hammered by these racetracks over in California saying
20 "Hey, what are you doing? Don't you know that we got to
21 a system?"

22 So we are moving forward with protecting our
23 jockeys. It is a Jockeys Guild issue. That's what
24 we're there for, to protect the health, safety, and
25 welfare of the jockeys in the United States.

1 MR. BROAD: I just wanted to ask a question of
2 Mr. Shapiro, if that's okay. Are you proposing adopting
3 verbatim the document that I saw?

4 CHAIRPERSON HARRIS: I think anything we put out
5 would have to be part of a rule process.

6 COMMISSIONER SHAPIRO: What I intended,
7 Mr. Broad, was that in the book here, they are making
8 recommendations which are increased weights, similar to
9 what has been implemented already to date. So they
10 involuntarily moved it up.

11 I'm trying to at least mandate that rather
12 than it be just voluntary, that we mandate at least
13 these weights move up to the extent that's in this book
14 initially.

15 MR. BROAD: I understand that. The question I
16 have then, if you'll recall, I don't know whether their
17 proposal assumes that we're weighing the jockeys nude
18 and adding 10 pounds equipment or that's a weight in
19 which you add 5 pounds of equipment, in which case the
20 objective nude weight of the jockey is 5 pounds less
21 than what they propose.

22 MR. FRAVEL: Let me clarify that.

23 What I suggested to you was to leave the
24 current rule on the equipment, that is, to include the
25 current way it is listed in the program, but that we all

1 sit down immediately and talk our way through that.

2 It might be better to have 7 pounds
3 equipment. Maybe we could find a safety vest that
4 weighs less and is safer. And I'm not going to concede
5 that that is the magic number. But I think we all ought
6 to sit down, work together and nationally try to find --
7 It's important that when a jock races in New York, it be
8 done in the same way in Southern California.

9 We've been trying to do that in virtually
10 every area of this business. And to go off on our own
11 and to explain to everybody now California has got
12 one -- 10 pounds more. It includes all these things.
13 It's just a nightmare.

14 I'm suggesting essentially -- and I hate to
15 say this because it will get turned around on me, but
16 we're talking status quo in the way current weights are
17 currently listed. And the equipment is included, but
18 we're raising the current scale. So he's correct, it
19 would be 5 pounds. The jock would weigh essentially
20 5 pounds less than the program weight.

21 COMMISSIONER SHAPIRO: I personally would prefer
22 to see that if the weight in the program, which is
23 one -- let's call it 120, and we know, we in this room
24 know that doesn't include 5 pounds of equipment. I
25 would prefer to see that we listed the weight in the

1 program and the weight horses carry which is 125.

2 Now, what I understand is that if I'm
3 understanding what was presented here -- let's say the
4 weight has moved up two pounds pretty much on average
5 throughout this proposal, then I would prefer to see
6 that we adopt that moving forward for the rest of the
7 year rather than 116 flat across the board.

8 And I would prefer to see that we implement
9 the better weigh-in and weigh-out procedures and
10 published to the public what the horses carry.

11 I find it ridiculous that we have this
12 5 pounds we don't identify to the public.

13 MR. BROAD: I understand that.

14 Again, I think we could probably -- I think
15 it's important that it be done nationally, and I think
16 there's ways where we could put notations in the program
17 on what equipment is listed or not listed.

18 To clarify what I wrote -- and obviously if
19 you decide to go along with some parts of that, you need
20 to go through rule making. And it's not like I can make
21 the rules. So obviously that's something to consider.

22 COMMISSIONER MORETTI: I would agree with
23 Commissioner Shapiro. I think that we should -- my
24 point of view is that I have not changed my mind at all
25 about the core issue.

1 I think it's imperative that we make a move
2 on this issue for the jockeys' health and safety. I
3 also actually think we have no problem with California
4 being a little different from the rest of the United
5 States, with all respect -- due respect, to the fact
6 that this industry, like so many others, needs to have
7 some balance with across the states, but I don't think
8 that that's the core issue here either.

9 Also, I'm also disappointed that you all
10 waited so darn long to get into this issue. I think
11 that Mr. Broad should be applauded for bringing this up,
12 and being antagonistic toward the jockey field is not
13 going bring people to the table.

14 So I would offer to you that if you come
15 with open minds, and on this issue which is extremely
16 important, we have a potential -- I don't know If we
17 have the crisis that you say. We don't have those
18 numbers. I haven't seen those numbers. But I do
19 believe that it is a health and safety issue.

20 And I would like to just raise the issue as
21 to whether or not we can bifurcate this in some way so
22 that we can talk about establishing the health and
23 nutrition programs that you all talk about.

24 Both sides are talking about that and
25 include discussions about making the program public,

1 having a more transparent program. Let's get real with
2 the numbers. Most of us were shocked finding out the
3 real numbers are not being published in the programs.

4 It just doesn't make any sense. Just
5 because the rest of the country does that doesn't mean
6 we have to do it that way. But I think that the new
7 material that we got, albeit late, does raise a number
8 of questions in my mind, that before we just institute a
9 rule that may not be the best, most thoughtful,
10 scientifically based rule, that we step back and not go
11 for another year. I'm not willing to do that.

12 But I'm certainly willing to postpone a
13 decision today so that we can have a greater level of
14 confidence that we're doing this in the most intelligent
15 manner to really help our jockey colony while not doing
16 anything to detriment the greater industry, or we won't
17 have jobs for the jockey. That's my opinion.

18 COMMISSIONER SPERRY: Well, I basically agree
19 with the two commissioners. But we can study these
20 things to death. One of the things we need to do is set
21 up the parameter of what the study is going to be, try
22 and get it with the guidelines that we need to have and
23 go forward with it so that we can come back within a
24 reasonable time and feel comfortable with the fact that
25 we have a solution to the problem.

1 Whether or not the country will accept it or
2 not, we have to set some guidelines, I believe, to try
3 and make it where -- if Mr. Bieri is correct, if there
4 is a problem with the jockeys, we need to take care of
5 that problem.

6 MR. BAEDEKER: Rick Baedeker, Hollywood Park. I
7 would just like to make a comment about listing the full
8 weight in the program. It has implications beyond
9 California. If a horse here in California today is
10 currently listed at 120 and a horse in New York is
11 listed at 120, that is apples to apples.

12 As a matter of fact, in both jurisdictions
13 there's 5 pounds approximately that is not counted in
14 the program weight. If we change it and make it 125 in
15 California, then when the California horse runs against
16 a horse from another jurisdiction, it's going to be
17 misleading to the public, the betting public. The
18 betting public is going to say, "Well, this horse is
19 carrying more weight" when, in fact, he is not.

20 So this is one instance. We need to put the
21 betting public first in this regard and keep it equal
22 with the other states until it could be changed across
23 the board. And I would suggest as an interim solution
24 that we begin publishing tomorrow an explanation in the
25 program that says that the program weight does not

1 include five pounds of equipment and list that
2 equipment, and so notify the public, that as a matter of
3 fact, there is a differential there.

4 But I would be very reluctant to make that
5 change in our program before the rest of the country
6 does the same thing.

7 COMMISSIONER SHAPIRO: Mr. Baedeker, I have to
8 disagree with you. We're perpetuating a fraud. And the
9 truth is that people are going to realize those wackos
10 out in California have been out in the sun too long.
11 They do it different. And people will learn that they
12 should get on the ship with us rather than our staying
13 on the ship with them.

14 They should be publishing the true weight.
15 We should be publish the true weight. You can put a
16 note in the program. The racing form can make a
17 different designation somewhere that says they will
18 figure it out.

19 I just don't understand. Why mislead the
20 public?

21 MR. BAEDEKER: I respectfully disagree with that.
22 We're going put the onus on the back of a player sitting
23 in a parlor in New York to figure out what we've done in
24 California, to figure out that even though both
25 horses --

1 COMMISSIONER SHAPIRO: How's it done in Europe?
2 Horses come over here from Europe, and you'll see these
3 wacko weights, 133, 143, and you say, "My God." Well,
4 they do it differently over there. Why is that
5 different?

6 MR. BAEDEKER: Well, I think it's different in
7 that very few horses actually come over from Europe and
8 compete here as opposed to going from state to state. I
9 thought it was an interim solution that we could take
10 immediately and not mislead the public.

11 The other thing I think that we should point
12 out is that the Jockeys Guild has bought this up since
13 last July. As a matter of fact, all the racetracks in
14 California agreed to make this voluntary change in
15 January, understanding that it was an interim measure,
16 but that it was a step in the right direction.

17 And so we haven't been, I don't think, you
18 know, purposely delaying this. We have taken action,
19 and I think it's just evidence that we do want to
20 cooperate, and we do want to reach a final solution to a
21 serious problem.

22 UNIDENTIFIED SPEAKER: I think that this is the
23 first time I actually come up here in agreement with
24 Mr. Shapiro on this issue of notifying the public of the
25 true weights.

1 It is a deception, and it goes beyond just
2 the racing program. It goes to the workouts. Nobody
3 knows what those exercise riders are weighing when they
4 get on a horse, and the industry publicist work out a
5 time. And who's to say that exercise rider doesn't
6 weigh 200 pounds and that affects the time of the
7 workout. So to suggest that horses come in from another
8 state, the betting public is going to be at a
9 disadvantage when they try to handicap the races is only
10 going halfway to telling what the problem is with
11 regards to weight.

12 COMMISSIONER MOSS: What we're involved in is
13 regulating a sport that's been around for almost 200
14 years, and we're all understanding that to survive and
15 do really well, we have to reach some sort of national
16 conception. That as a state, we can look after our own,
17 but we realize it's the sport itself will move ahead
18 only on a national level. And we suffer from not
19 dealing on that -- with national practices. And yet I
20 believe as an (inaudible), we're moving forward and
21 trying to do that.

22 I don't think California in its isolated
23 situation should take a chance on making grave changes
24 in something that doesn't speak well for us. We're all
25 occupied with trying to do right by the jocks. We all

1 have friends, and we all want to make sure they're
2 healthy and well.

3 I think for us to step out as major racing
4 state and do this without some sort of national
5 involvement is a mistake. And I think we do need to
6 study this as a great project with more intensity and
7 come to some understanding as soon as we can, but
8 certainly to give it a little more time.

9 Thank you.

10 CHAIRPERSON HARRIS: I'd like to move forward of
11 some version of a jockey weight rule.

12 COMMISSIONER SHAPIRO: I don't know if
13 procedurally we should vote on the rule that's before us
14 or we can amend it based on comment. If we can amend it
15 by comment, then I would amend what is before us today.
16 I guess it goes back out for further 45-day comment. It
17 would be to amend the scale of weights to reflect the
18 weights that are contained in the proposal made by the
19 race's secretaries, based on the race's secretary's
20 proposal.

21 I would also want to have us institute a new
22 weigh-in and weigh-out procedure that is verifiable and
23 ensures that the jock's weights are, in fact, the
24 jockeys are being weighed, and it is verified.

25 I would also suggest that the racing

1 association each employ a nutrition counselor to provide
2 counseling services to the jockeys, and I think that we
3 should amend it to reflect that in the exact writing to
4 be determined.

5 CHAIRPERSON HARRIS: As part of the weight, and
6 we would also go to the item (inaudible) --

7 COMMISSIONER SHAPIRO: And that the rules also
8 reflect that we shall publish either the weight being
9 carried by the horse and jockey plus 5 pounds plus the
10 total weight carried by the horses is published in our
11 program and in other publications.

12 COMMISSIONER SPERRY: Commissioner, to me you're
13 going too far. I can support everything up until
14 presenting in the program anything other than a notice
15 that they've carried additional 5 pounds and weight

16 enlisted as -- UNIDENTIFIED SPEAKER: As
17 President of Hollywood Park, I suggested that it might
18 be done in the program.

19 CHAIRPERSON HARRIS: I don't really care if it's
20 5 pounds or 7 pounds or 10 pounds or what it is. If I
21 was convinced that it was absolutely 5 pounds, it would
22 make it simpler, but I think we would have to look at
23 the whole issue.

24 One of the things that I would like to see
25 get into a rule is their 1515-A which talks about a

1 comprehensive medical exam program and those things. Do
2 we have a current medical exam?

3 EXECUTIVE DIRECTOR FERMIN: They do have an
4 annual exam. In Southern California is at the beginning
5 of the year in Santa Anita, and it's required also.
6 They do have an examination once a year. And, probably,
7 I would safely say not as thorough as the examination
8 that you're talking about.

9 CHAIRPERSON HARRIS: Right. I think we should
10 also address how comprehensive that is and what would be
11 more than adequate. But also, I think any jockey
12 returning from an injury should have some type of
13 examine to ensure that they're fine to ride again.

14 EXECUTIVE DIRECTOR FERMIN: That's mandatory.
15 They need to have a medical clearance.

16 CHAIRPERSON HARRIS: And we need to look at those
17 standards to make sure they're adequate. When it's
18 1515-B, we're talking about laxatives, diuretics, and
19 all this. I agree with what we're trying to do. I
20 don't know if we could really do that or not. I guess
21 we could just put it out for comment and see what we get
22 back.

23 COMMISSIONER SHAPIRO: I think we should also --
24 and I should have included that we should mandate each
25 track to remove any facilities that would encourage or

1 are specifically designed for throwing up and doing
2 those types of things. I'd like to see all the tracks
3 remove those. I don't think that we should condone that
4 type of behavior, and I don't think anybody would argue
5 that that's unhealthy -- if they exist.

6 CHAIRPERSON HARRIS: I think we need to put it
7 out. And getting the track to do it voluntary at this
8 point -- but if that's going to be a rule, we need to
9 get some comment back on it.

10 MS. WAGNER: I would think that you're discussing
11 would be an amendment to the proposal before you. Our
12 options right now in terms of rule-making procedure,
13 what we have before the Board is a proposal that has
14 gone out for 45-day comments. From the discussion, it
15 would appear that we're not ready to make a decision on
16 that.

17 That would be something that the Board would
18 need to do. However, I do want you to understand that
19 any amendments that we make to this proposal will
20 initiate another rule-making process, usually starting
21 the procedure over again to give an adequate comment
22 period time to the public. So I just want you to
23 understand that anything we do that's different than
24 what we have before will trigger a new procedure.

25 CHAIRPERSON HARRIS: That's the idea. We want to

1 put those rules out for that process to get comments
2 back on them. We might end up with something --
3 combination of both of them.

4 MR. BIANCO: I'll go along with John Sperry. The
5 additional safety equipment that's being carried, but I
6 don't know if it's 5 pounds or 7 pounds. But I think we
7 ought to let the public know and to print it in our
8 programs.

9 CHAIRPERSON HARRIS: I don't know if it's
10 cleaner, if we just table what we have out and put out
11 for comment these suggested rules amended by some of the
12 things that you suggested.

13 COMMISSIONER SHAPIRO: That's fine with me.
14 That's fine with me except and apart from that, though,
15 is that I hope that we hear back at our next board
16 meeting from those people that are proposing this
17 medical study analysis and move forward. I'd like to
18 hear back from them by the next meeting that it will in
19 fact -- is going to be undertaken and proceed forward.

20 CHAIRPERSON HARRIS: That has been a frustration,
21 this whole thing that we've been talking about for a
22 long time. Quite a bit has happened in the last week or
23 so, but if we're going to move forward and do something,
24 we need a commitment from the industry that they're
25 going to pursue these studies and get them done.

1 COMMISSIONER SHAPIRO: We need deadlines. It's
2 not fair that this issue has gone on and on. So we need
3 to move it forward. So I'll make that in a form of a
4 motion of everything I said with the exact language to
5 be refined.

6 COMMISSIONER MORETTI: I would second that.

7 CHAIRPERSON HARRIS: These need to go so that
8 we'll make --

9 MS. WAGNER: In terms of procedure, it may be --
10 I just wanted to let you know, we do not want to adopt
11 what's before us. We do not have to take any action on
12 this proposal. You can just not take action on it, and
13 then based on the discussion that we have had thus far,
14 we can go back and amend the proposal as we have
15 discussed, start the process again, and do the 45-day
16 comment period.

17 COMMISSIONER SHAPIRO: That's fine.

18 CHAIRPERSON HARRIS: We also need -- I know in a
19 former motioning -- have a commitment from the various
20 parties that our CHRB meeting -- they will come -- give
21 us a plan of exactly how they are going to do some of
22 the studies that they have and how they're going to fund
23 those and what the timetable is.

24 MR. FRAVEL: Craig Ravel. I'll put my incredible
25 brains to work with Barry on that and see if we can come

1 up with a program that is reasonable and realistic, and
2 to the extent Dr. Brenerdon is able to guide us, even
3 though he is not personally able, we'll certainly ask
4 him for his help.

5 COMMISSIONER SHAPIRO: Mr. Ravel, will the Guild
6 be able to play a role in this study? I hope that --

7 MR. FRAVEL: I would hope so. I have no
8 interest -- I'd rather somebody else do this.

9 COMMISSIONER SHAPIRO: But you're hooked. You
10 said you're smart.

11 MR. FRAVEL: I was there the other day and said
12 whatever we did, we would work with them and other
13 jockeys and jockeys who weren't members and whoever has
14 an interested role in this.

15 MR. BROAD: Because I represent so many unions
16 and I have a lot of understanding on how occupational
17 health studies are conducted, and I have organizations
18 that put them together, and I don't think there would be
19 any problems in setting up a study that is beyond
20 criticism of anybody. And not only that, I will vow to
21 bring my friends in the CIA into the matter, if it's
22 necessary.

23 COMMISSIONER SHAPIRO: We really want you to be
24 involved because then we know you won't criticize it.

25 MR. BROAD: There's no guarantee there.

1 CHAIRPERSON HARRIS: We all motion to table. We
2 are taking no action on the proposed document we saw
3 today, but we are moving forward with the rules as
4 proposed. Any discussion on this?

5 COMMISSIONER MOSS: I second the motion.

6 CHAIRPERSON HARRIS: All in favor.

7 (Ayes.)

8 ASSISTANT EXECUTIVE DIRECTOR MINAMI: Roy Minami,
9 Horse Racing Board Staff.

10 This is an issue that's come up before the
11 Board a number of times, so I won't go into the
12 background, although it's written in the staff analysis.

13 The last board meeting, the Board directed
14 the staff to facilitate a meeting between Local 280 and
15 the various ADW facilities. That meeting was held on
16 April 18 at Santa Anita. Present were representatives
17 of Local 280 as well as the 380-W facilities, UB Express
18 Bet.

19 Local 280, surprisingly, at this meeting was
20 very conciliatory toward the ADW facilities. Basically,
21 what their goal was, was to present several ideas on how
22 to employ Local 280 members at the ADW facilities
23 Mr. Rosenfeld (phonetic) representing the Local 280
24 presented three ideas of proposals on what the Local 280
25 thought that might be feasible for the ADW facilities to

1 employ the Local 280 members.

2 They didn't ask for any kind of decision at
3 that time. I think that the only thing that Local 280
4 asked for was for them to give serious consideration to
5 those proposals. Each of the ADW facilities did give
6 that commitment. They received the suggestions given by
7 Local 280, and also they also indicated that they will
8 consider other alternatives that weren't mentioned.

9 So in essence, this meeting was a pretty
10 solid meeting. It was basically to present their
11 proposals to the ADW facilities, which was received, and
12 a commitment was given by the ADW facilities to give
13 serious consideration to those proposals.

14 We will have a follow-up meeting. I was
15 proposing some time early June to have a follow-up
16 meeting and have the ADW facilities come back to the
17 table and give their opinions to what they thought the
18 proposals were and perhaps even give alternative
19 proposals.

20 And I think everybody agreed that we would
21 have a second meeting, and I would think that that's
22 where most of this discussion will be held as far as
23 where we're going to get or if there's going to be any
24 progress as far as employing Local 280 members at these
25 ADW facilities.

1 CHAIRPERSON HARRIS: Any comments on this? No?

2 Move along. Next item, Item 7.

3 SENIOR MANAGEMENT AUDITOR REAGAN: John Reagan,
4 CHRB staff. Item No. 7, you might say this is the
5 residue of several items we've had on here the last few
6 months regarding Capitol Racing and proper
7 distributions.

8 This one, very specifically, deals with a
9 very small portion of the handle referred to sometimes
10 as promotion funds pursuant to 19605.7C. Very simply,
11 there's been this dispute for some time as to whether
12 there was a written agreement that allowed Capitol to
13 take these funds and spend them on promotion. If there
14 was not such an agreement and therefore the horseman
15 should have received their half and so on and so forth,
16 ad nauseam.

17 Since this item has been on the agenda here,
18 and just this morning, I had numerous information dumped
19 on me, and of course, I haven't plenty of time to read
20 it thoroughly and understand it. So unfortunately, I
21 really can't -- but it appears to go on to many other
22 subjects besides this subject.

23 We're talking about international funds all
24 kinds of things. So the item here on the agenda has to
25 do with this small piece of promotion funds, and that's

1 what we have for you.

2 COMMISSIONER SHAPIRO: Mr. Chairman, I would like
3 to make a suggestion that this matter be deferred. And
4 I'd like to have it deferred to an ad hoc committee. I
5 would like to see this matter be deferred to perhaps an
6 ad hoc committee that are not only this component of the
7 issues, but some of the other components that come
8 before this Board. They're rather complex. They deal
9 with different components of handle and revenues, and I
10 think that to get our arm around it, we'd be better
11 served to defer it to an ad hoc committee.

12 CHAIRPERSON HARRIS: I think that's an excellent
13 idea because this whole issue is pretty complex. It's
14 all these different buckets of money. I'd suggest that
15 we get an ad hoc committee of two people that would be
16 Richard Shapiro and John Sperry to get into it. They
17 can report back to the Board what their different
18 recommendations are, and it will be the Board's job to
19 make a final recommendation.

20 But I think that there's just so much data
21 here, that if we take up a long time at these meetings
22 here, we're not serving any purpose.

23 So without objection, we'll do that.

24 COMMISSIONER SHAPIRO: Okay.

25 MR. ENGLISH: I'd like to make a comment, please.

1 My name is Richard English, C.P.A. The item of the ad
2 hoc committee is a good idea.

3 What I'd like to point out, every delay,
4 things deteriorate so far as Capitol is involved. And
5 during the time, the last board meeting in Los Alamitos
6 more and more rapid pace. Capitol is drawing money out
7 of the stock at surplus of about \$800,000 so far this
8 year.

9 I respectfully request that we stop and be
10 directed not to make any more distributions of Capitol
11 and ask you to put a cap on this Capitol history and to
12 take the cash and make distributions out of the company
13 and to stop any subsequent distribution. Stop the funds
14 until the ad hoc committee reads their report.

15 COMMISSIONER SHAPIRO: Mr. English, the issue
16 that's agenda on the promotion fund, I'm not sure would
17 even cover that issue.

18 MR. ENGLISH: But if you keep deferring it, the
19 situation gets worse. All I'm doing is asking you to
20 stop the ability of Capitol from depleting their assets.
21 What will happen? It's conceivable, that after the end
22 of their race meet, funds are depleted. They'll be in
23 under payment of persons (inaudible). There'll be a
24 large impact fee to Los Alamitos and the unfunded union
25 benefits.

1 Where is the money going to be if that money
2 comes out of Scotland, comes out of Scotland, and goes
3 to Capitol and then be distributed by Capitol.

4 COMMISSIONER SHAPIRO: Well, I can only speak for
5 myself. Quite frankly, I don't have enough of a command
6 of all those issues. And that's why I'm suggesting this
7 be sent to an ad hoc committee with Commissioner Sperry
8 and I. At that point, hopefully, we can get our arms
9 around this, and if there are any measures that need to
10 be taken on an expedite basis to prevent anything bad
11 from happening, we can do that.

12 But what's before us today is an issue
13 having to do with the corruption of funds, of which
14 there is debate whether or not they acted properly or
15 not. And frankly, I think it's going to take more
16 in-depth understanding, investigation for us to get our
17 arms around this and all those issues.

18 The reason for the ad hoc committee is so
19 that we can take the proper steps. We recognize that
20 this Racing Association is going to be out of business
21 at the end of July, and there are various funds that are
22 involved. There's the 612 money. There's promotion
23 fund. We're trying to find the methods to get our arms
24 around all of this.

25 MR. ENGLISH: I understand, and I am sympathetic

1 to all the complexities that surround the issues. My
2 point is that since December Capitol has received
3 \$800,000 in distributions mand that money goes out of
4 the company not there for employees or the horsemen --

5 COMMISSIONER SHAPIRO: Let me ask Mr. Reagan.

6 Has any money been taken that is improper to
7 have been taken? I mean, it's -- I don't know how it --

8 MR. ENGLISH: Mr. Reagan cannot make that
9 decision. He doesn't have that information. Isn't that
10 the purpose of the ad hoc committee?

11 COMMISSIONER SHAPIRO: Yes. So what you're
12 telling us to do is to stop the association from doing
13 something that may be done in the ordinary course of
14 business of any Racing Association. Why should we do
15 that?

16 Because you believe that there may be a
17 shortage of funds. I don't think it's proper for us
18 without doing the due diligence and having a good
19 understanding to stop anybody from doing something that
20 they may have the right to do.

21 And that's why we're forming this ad hoc
22 committee. If there's a problem, we'll certainly take
23 steps to address that problem, but first we have to
24 identify if there's a problem.

25 MR. ENGLISH: Thank you.

1 MR. BARD: Chairman, my name is Chris Bard. I
2 want to address the issue of the ad hoc committee. The
3 ad hoc committee suggested that they look at other
4 issues. I want to bring it upon the Board's attention
5 that I sent out this format to the Board two months ago
6 because I thought we were going to address these issues
7 a month ago.

8 And I thought we could address them today,
9 and I would like to make sure that these issues are on
10 the ad hoc committee.

11 COMMISSIONER SHAPIRO: Mr. Bard, as you know, I
12 have looked at that, and I have looked through other
13 issues. One of the purposes of the ad hoc committee is
14 designed specifically to look at all the issues,
15 including the issues that you have raised that exists
16 that all revolve around Capitol Harness, Los Alamitos
17 and all of these issues. It's trying to identify and
18 get to the bottom of all of the issues, not just one
19 little piece which was on our agenda.

20 So I assure you that you will be welcome at
21 that ad hoc committee, and we hopefully are going to
22 address all of those issues.

23 MR. BARD: I would appreciate that. And I would
24 ask you to do that as expeditiously as possible because
25 there's a serious problem within the industry. I would

1 ask that you add to that ad hoc committee the mutual
2 funds that have not been paid from the state to the
3 State of California 8 percent out of Canada as well as
4 the amount of money not paid to the horsemen.

5 I wrote you folks a letter. I included in
6 that a complaint that was filed identifying those
7 issues, but I would like to see that addressed. I would
8 also like to see the issue addressed that you have a
9 30 percent deduction in personal. You have a \$800,000
10 withdraw from funds \$400,000 from the horsemen's
11 account. You have a contract that the horsemen has that
12 basically says we're going to pay whenever we receive.
13 And right now they are \$500,000 underpaid, and that
14 can't go on. I mean, if you wait two or three months,
15 the meet is over. You got this underpayment.

16 COMMISSIONER SHAPIRO: Mr. Bard, I think
17 Commissioner Sperry and I spoke about this, and I
18 believe that we're both committed to do this as
19 expeditiously as possible.

20 I suggest that you provide to the staff --
21 and I'm not sure what staff person it will be. I don't
22 know if it will be Mr. Reagan -- that we try to identify
23 each of the issues without pleading a case. Let's try
24 to identify the issues so that we can get to what the
25 facts are and get to the bottom of it.

1 MR. BARD: I appreciate that.

2 COMMISSIONER SHAPIRO: Okay.

3 MR. BARD: I will be more than happy to do that.

4 I just want to remind you that two months ago you had
5 that same conversation with me, and I rushed ahead and
6 got the information, and SENIOR MANAGEMENT AUDITOR
7 REAGAN -- I'm sitting here today, and I hope I'm not
8 sitting here two months from now discussing these same
9 issues.

10 I hope within 30 days to discuss -- they're
11 apparently obvious, and they should be done immediately.
12 They should have been done four months ago, five months
13 ago. I'm not a keeper of the funds. You've been
14 neglecting to get 8 percent of the money coming into
15 (inaudible) association, and I don't think it's
16 behooving upon me to bring that to your attention.

17 COMMISSIONER SHAPIRO: Mr. Bard, we will do it as
18 quickly as we can. And I assure you, we will listen to
19 every issue that you wish to discuss.

20 MR. BARD: Appreciate it. Thank you.

21 MR. VEROLA: Hi, I'm Tom Verola with Southern
22 California on Track Wagering. And this morning I
23 received a letter from the Harness Horsemen Association
24 regarding the \$800,000 that we disbursed to Capitol, and
25 I'd like to ask the Board -- I heard what you said

1 earlier. You said that you can't make that
2 recommendation. But what do we do if they come back and
3 ask for more disbursements? I would like a little
4 guidance so that I'm covered.

5 COMMISSIONER SHAPIRO: Frankly, we need to -- I'm
6 certainly not equipped to address that issue. And I
7 guess we need you to speak with staff and find out. And
8 I don't know what the procedures are for getting release
9 of that money. I do want to get to the bottom of it. I
10 don't want to deprive a racing association of what they
11 could be entitled to receive.

12 And yet on the other hand, we want to look
13 at the whole situation fully. So at this point, I would
14 tell to you to act in the normal course of the business,
15 but please talk to Mr. Reagan, and we plan to convene as
16 soon as possible to try to address all of these issues.

17 SENIOR MANAGEMENT AUDITOR REAGAN: Mr. John
18 Reagan. Has spoken with me on this issue. Also, I have
19 been having regular meetings with the Controller, CFO at
20 Capitol, and we do know what's going on to some degree,
21 and we will certainly explain that to the ad hoc
22 committee, but we're not unaware of these issue. And
23 the Controller CFO at Capitol is very much aware that
24 the end of his corporation or doing business in
25 California will end in July, and we have had many

1 discussions about board meeting, the flow of funds, so
2 that everything is pretty much as even as possible at
3 that time.

4 And even discussions about when we can't
5 even something out, do we carry this over -- whatever.
6 So we're certainly aware of all these issues and we're
7 trying to work on them as we go on, and we're happy to
8 see the ad hoc committee bring it forward.

9 CHAIRPERSON HARRIS: There's the one issue of
10 exported races where you're exporting them, basically
11 selling the signal for so much a night.

12 SENIOR MANAGEMENT AUDITOR REAGAN: Yes, we
13 actually spoke to the (inaudible) a couple of weeks ago,
14 and we did find \$55,000 in funds received that had been
15 distributed at that point. We indicated to them 8
16 percent would go to the State of California; the rest
17 would be split to (inaudible). So we're talking a grand
18 total of \$55,000.

19 COMMISSIONER SHAPIRO: Was it done?

20 SENIOR MANAGEMENT AUDITOR REAGAN: Yes, it has
21 been done. I'd like to say, when I return to
22 Sacramento, I expect to see the check, and I'll
23 certainly follow up to make sure that it was done, but I
24 was told it would have been last week or early this week
25 as I was proceeding at these meetings. So, yes.

1 MR. HANKINS: Kim Hankins, California Harness
2 Horsemen Association.

3 I'd just like to urge Chairman Shapiro and
4 Mr. Sperry to -- as earlier said to move along
5 expeditiously. But right now, we feel that we're due a
6 purse increase immediately. There's been \$800,000
7 advances to Scottwing (phonetic) the TV's turned back on
8 at Los Alamitos and we've been told many times by
9 Capitol leadership that as soon as they turn on the TV,
10 it can go back up. Well, it's back on. We need to the
11 money now.

12 We don't need to wait until two months,
13 three months down the road and saddle up. These
14 horsemen are having a state fair meet coming up that
15 they are trying to promote our industry with. And we've
16 got an opportunity to do that. But we've got to have
17 product. We're asking for an immediate purse increase.

18 MR. SHELL: David Shell, S-h-e-l-l, past
19 president of CHHA, Board Member from 1999 to 2002. And
20 I would request, Mr. Chairman, that the ad hoc committee
21 expand what it's talking about, and I heard you say Los
22 Alamitos.

23 But it's my understanding that while we
24 raced at Los Alamitos under LAHRA, not one dime of the
25 promotion fee was (1) negotiated for the horsemen or (2)

1 spent on promotion of the racing.

2 I would like that looked at to see if, in
3 fact, that money was spent. I have not -- provided Rick
4 English where it indicates that none of the money would
5 have from -- been one half promotion fee ever went to,
6 first of all, LAHRA up to 2000. I would also like as
7 part of the ad hoc committee to look into the
8 overpayment/underpayments that may have occurred at Los
9 Alamitos during 1999 to 2002.

10 I can't speak to anything before that, but
11 after that I can. Based on that document from Rick
12 English, there was an underpayment that we have not been
13 able to find. So if we raise the issue with you, you'll
14 look into it? That's what I want to know.

15 COMMISSIONER SHAPIRO: Well, you're now expanding
16 this to not just deal with Capitol Harness. Now you're
17 talking about something with LARC (sic) as I understand
18 it. It's totally unrelated.

19 MR. SHELL: No, harness we raced there in 2000.

20 COMMISSIONER SHAPIRO: You're talking about
21 harness racing at Los Alamitos?

22 MR. SHELL: Yes, under LAHRA.

23 COMMISSIONER SHAPIRO: That's fine. I don't have
24 a problem with that.

25 MR. SHELL: That's all I'm speaking of. Is that

1 all right with you?

2 COMMISSIONER SHAPIRO: Okay.

3 MR. SHELL: Okay.

4 MR. BIERI: Steve Bieri, Capitol Racing.

5 Let us know when the first meeting is.

6 We'll be there.

7 There was some aspersions towards Capitol
8 Racing today that I would love to have cleared up. In
9 the past, you had allegations made toward us that you
10 checked out and you found to be inaccurate. You will
11 find all of those other things that are coming to your
12 ad hoc committee to be inaccurate also.

13 We are looking forward to something like this
14 because we want to be exonerated, and we want to have
15 our name cleared up. This has been too long to go this
16 far. I applaud what you're doing and will be there with
17 bells on.

18 CHAIRPERSON HARRIS: Move on. Next item is
19 implant microchips for the identification of horses that
20 regulate restricted area of horses shipped in and out of
21 racetracks.

22 EQUINE MEDICAL DIRECTOR DR. JENSON: Dr. Ron
23 Jensen, Equine Medical Director for the Board.

24 Microchips are a method of electronic animal
25 identification. We've had discussions about this in the

1 past, so I won't go into the actual use of the
2 microchips other than to say that these ongoing
3 discussions are not only taking place in California;
4 they are also going on nationwide. The national
5 movement is going forward.

6 The United States Department of Agriculture
7 has initiated what they call the National Animal
8 Identification System, which deals with all livestock in
9 the United States. It came about because of the
10 outbreak -- one case of mad cow disease, where they'd,
11 like, have a method of tracking all livestock in the
12 event of an outbreak of an infectious disease.

13 The American Horse Council has a working
14 group which represent the entire industry in this
15 undertaking. The first step of the national program is
16 going to be a premises identification. Each premise
17 that raises livestock will have to have an
18 identification system. This is a national initiative.
19 It is apparent that it's going to be administered by the
20 State Department of Agriculture.

21 So I inquired of the Veterinaries of
22 California Department and NAG if they would consider
23 racetracks as being a premises, and indeed, they
24 responded that California racetracks would be considered
25 a premise and would have to have a national ID number.

1 Also, Jockey Club, the American Quarter
2 Horse Association, and the United States Association are
3 seriously looking at microchips as a method for
4 identification.

5 There's been a type of a chip that has been
6 recommended. It's been approved and recommended by the
7 International Standard Organization and consists of a
8 microchip that contains 15 numbers. The first three
9 numbers will be a country identification; the next three
10 numbers will be breed identification, and the final nine
11 numbers will be randomly selected by the National
12 Standard Association and assigned so as to avoid any
13 kind of duplication of a number.

14 Also, the Jockey Club through its
15 encompassed racetrack management or racetrack office
16 software is developing a method whereby they could
17 utilize part of that system to develop a database to
18 accept and to store the numbers so that they will be
19 able to record and display microchip numbers.

20 In other words, when you scan a horse that
21 has a microchip implanted, they'll be able to join up
22 the number with the name of the horse.

23 So the technology is available, and there is
24 a movement going forward on a national basis. So I
25 think what has to be determined here is whether the

1 Board wants to begin such a program in California and
2 realizing it will be the first racing jurisdiction to do
3 so and realizing it will be a pretty big undertaking.

4 It's been done in other countries, 12
5 European countries. And as a matter of fact, the
6 European Union has mandated that all horses will be
7 using this recommended 15-character chip.

8 COMMISSIONER MORETTI: Does that mean that an
9 American horse would have to have that chip implanted
10 prior to racing over there?

11 DR. JENSON: I don't know that. I know that
12 the -- what I read is that it has been mandated for all
13 horses. It doesn't say domestic or foreign. My sense
14 would probably be domestic. That could very well be.

15 COMMISSIONER MORETTI: My understanding is that
16 it is a minimal cost and also a minimal health risk to
17 the horse.

18 DR. JENSON: It's minimal, yes. It's the size of
19 a grain of rice. It's implanted in the neck of the
20 horse utilizing a device, and the cost of the chip is a
21 price break if you buy over 5,000. From 1,000 to 5,000
22 chips for a standard chip is \$8.25 cents per chip.

23 In addition they have a chip that can record
24 the temperature when you scan it, and you get the
25 reading of the temperature, and that comes to \$10 per

1 chip.

2 If you buy between 5- and 10,000, the
3 standard chip is 7.50 per chip. \$9.40 for what they
4 call a micro thermal chip, and that will read the
5 temperature.

6 They also have some readers, some scanners.
7 The price of those which are the -- in quantities of
8 more than 10, that's \$390. If you buy 20, it's \$380.
9 If you buy 30, it's \$370. The cost of implanting, I'm
10 not sure what it will be.

11 COMMISSIONER SHAPIRO: And after the horse is
12 implanted, I'm assuming that there's no recovery time;
13 there's no adverse effects?

14 DR. JENSON: It would be very similar to getting
15 an intramuscular injection.

16 UNIDENTIFIED SPEAKER: Doctor, is there any other
17 states that are looking at it?

18 DR. JENSON: Well, Kentucky is looking at it.

19 CHAIRPERSON HARRIS: If a farm wanted to start,
20 how would you know what numbers to use or what chips to
21 start with?

22 DR. JENSON: I think there's -- although I must
23 confess, I'm not sure what that system is.

24 But since there is a central body, this
25 International Standard Organization, which has

1 recommended the chip and they're going to assign the
2 numbers, I would assume that you could do that.

3 COMMISSIONER MORETTI: Doctor, a few years ago we
4 had a meeting which talked about the chip not simply for
5 identification purposes, but that could keep records of
6 the horse's health, and it also, essentially, could be
7 used for clocking purpose, for more accurate records and
8 to make sure that we know who's really out there
9 running.

10 DR. JENSON: They are being developed, what they
11 call interactive chips. And I'm not quite sure who has
12 access to enter that data and how that data is changed
13 on the chip. The ones that I'm familiar with are the
14 ones that just identify the horse and record the
15 temperature.

16 However, in addition to simply identifying
17 horses going from the racetrack, it is helpful in
18 accurate identification and rapid identification, be
19 very helpful in the event of an infectious outbreak, or
20 it would be very helpful in lost or stolen horses or
21 getting good accurate population data.

22 COMMISSIONER MOSS: Is there anything the Board
23 can do to expedite the implementation of these
24 microchips as soon as possible?

25 DR. JENSON: Well, I think you can make a

1 requirement. My suggestion would be that there be some
2 sort of an organized effort with the industry, would be
3 the best way to go about it, and establish some sort of
4 a timeline for implementing it and some sort of a
5 timeline as to how soon it would be a requirement. The
6 procedure is simple. The chip is available. When you
7 implant the chip, of course, you have to be certain that
8 you're putting it in the right horse, and then you have
9 to be sure that the system is up and running.

10 The folks at the Jockey Club are moving on
11 as well, and I guess I'd be remiss to say their position
12 is not that it's going to do away with the tattoo. It's
13 going to be in addition to the tattoo, but it is very
14 possible to do.

15 I guess my suggestion would be a working
16 group to try to determine what's the best way to go
17 about it and how we are going do that.

18 CHAIRPERSON HARRIS: I think the Jockey Club has
19 got to take the lead on it.

20 COMMISSIONER SHAPIRO: Is there any harm in a
21 chip -- let's say we take Chip A. At our last
22 medication security meeting, I believe this issue was
23 brought up, and it seemed -- at least to be my
24 understanding -- that there was a preferred chip in
25 technology that was out there. So if we moved ahead and

1 worked out the procedures and how we could implant each
2 horse and work with our horse identifiers to identify
3 the horse and make sure it was accurate and moved ahead
4 with one chip and then the Jockey Club went off and
5 picked a different chip that isn't necessarily readable
6 by the methods that they use, is there any harm in that
7 horse to have two chips in him?

8 MR. JENSON: Not that I know of. And again, my
9 conversations with the Jockey Club, they're supporting
10 the use of this chip that I mentioned. It's called the
11 ISO 1184, 1174, 1175. There are readers that will read
12 multiple chips, but I think you'd want to try to have a
13 system that would be compatible with what's going to be
14 recommended by the Jockey Club. I think that's possible

15 COMMISSIONER SHAPIRO: Well, I think we learned a
16 lesson lately that we don't know sometimes when horses
17 are coming and going out of our own premises. And I
18 think we should move forward to try and take the
19 initiative because if the Jockey Club is investigating
20 it, it could take so long. And I would like to see that
21 we move forward to implement a system once and for all.

22 It's not very expensive. I think that we
23 could start at our racetracks. We have horses and have
24 a program where if we can implement all of the horses
25 into the system and start to use it in a concurrent

1 capacity with our tattoo, I think we should move forward
2 on this.

3 EXECUTIVE DIRECTOR FERMIN: It would be good, and
4 I think we should move forward on this.

5 COMMISSIONER SHAPIRO: Can we establish a
6 deadline for this to be included and when this comes
7 back to
8 us -- and kind of have a deadline?

9 EXECUTIVE DIRECTOR FERMIN: We have a medication
10 meeting for June; is that correct?

11 COMMISSIONER SHAPIRO: And I'd like to make sure
12 there are sufficient meetings. That it's presented at
13 our June meeting, a plan to implement a microchip
14 program. You know, let's start with the thoroughbreds
15 and then from there move to the quarter horses and go to
16 the harness horses thereafter. In the interim, I would
17 like to see us review our stable gate procedures,
18 though.

19 CHAIRPERSON HARRIS: And I think what we need to
20 do is see how fast we can move, what we can do to be a
21 leader, but still have someone want to follow us.

22 MR. BIANCO: Was it Scott from UC Davis that
23 already got us the information?

24 UNIDENTIFIED SPEAKER: They have used implants,
25 microchip implants in their horses. They have 250

1 horses. So they use them, that I recall.

2 Also they're engaged in study to find out
3 the reliability, if you will, of the chip that records
4 the temperature in addition to the identification. But
5 if you'd like, I'll continue to work on it.

6 And I'll perhaps contact the DOC and try to
7 get some preliminary data to see the best way that we
8 can go about implementing such a project.

9 EXECUTIVE DIRECTOR FERMIN: In the interim, we
10 made a list of some suggestions. We just got ours right
11 now, and I regret that.

12 Jackie, has associations or the horsemen or
13 anybody else seen anything?

14 MS. WAGNER: I've emailed the suggestion
15 procedures to TOC, and I did get a response at this
16 point. We're still in the process of venting this out
17 right now.

18 EXECUTIVE DIRECTOR FERMIN: I'd like to suggest
19 going to review, if this is realistic, and see if we
20 can't tighten things up as soon as possible.

21 COMMISSIONER SHAPIRO: I don't know that these
22 Board actions can implement them, and would simply want
23 to direct that you and our staff work very quickly to
24 try to implement these procedures here so that we know
25 at all times which horses are on the grounds and which

1 horses are not on the grounds and we have a clear
2 record.

3 CHAIRPERSON HARRIS: I think we just need to make
4 sure that these procedures are workable, but I agree we
5 need to move on.

6 COMMISSIONER MOSS: Thank you. We heard some
7 excellent suggestions fro NTRA Bettor Policy Committee,
8 and they came up with some interesting suggestions. I
9 would say that the idea of going to the favorite -- once
10 there's a scratch -- is going to be changed in the near
11 future. We're working on it. It seems
12 the bettors are appreciative of that. There's also
13 going to advances regarding to alternative wagers,
14 regarding Pick 6, regarding Pick 3, and Pick 4 as well.
15 There also might be some consolation payoffs.

16 Now there's papers being developed. We're
17 going to present them to everyone when they are
18 developed, and some of these changes might be in place
19 by Del Mar Meet. So we're encouraged by that, and we
20 appreciate, certainly, the suggestions made by Bob
21 Charles and Mr. Quinn.

22 There's also been a discussion about the
23 minimum wager amount. I've done some research on this
24 and discussed it. It has been positive. And so far as
25 allocating even the dime betting and in these areas we

1 think that this is something we will go ahead with as
2 well in the near future. Insofar as we had the
3 statement from the equipment people, scientific games
4 talking about making greater investments in technology
5 we feel good about that. I think that's kind of it.
6 Thank you very much.

7 CHAIRPERSON HARRIS: Probably some rules or some
8 things have been put in the rule-making process already.

9 COMMISSIONER MOSS: John recommended two items
10 that are in the rule-making process, and that was one
11 to, I believe, the Pick 6. When the race got changed
12 from turf to dirt, that became an all win situation.
13 Also, that's moving toward being accepted. And the
14 other one was that -- I believe that after five races,
15 Pick 6 had been done that we can publish what could
16 happen in regard to Pick 6 and publicize that and make
17 it more exciting for the fans, and that's on its way to
18 being put into law as well. Certainly by Del Mar, these
19 could be happening, and I think it will be a more
20 exciting time for the bettors.

21 SENIOR MANAGEMENT AUDITOR REAGAN: It's my
22 understanding that the current tote contract will be
23 expiring, I believe, this September. So there's a
24 process already in place here in California where the
25 racetracks, I'm sure, are being courted by Scientific

1 Games and the other tote companies.

2 And it's during these time frames that I
3 have always, in the past, laid low so that we are not
4 involved in any contract. We are not seeming to push
5 one way or the other. We are always neutral.

6 It's up to the racetracks to make their
7 choice, and they have. They have no qualms about that.
8 So we can always discuss this issues. I always become a
9 little more careful during these time frames.

10 CHAIRPERSON HARRIS: It's up to them to make a
11 choice. Everyone's got the same interest to have a
12 system that is the very best system.

13 SENIOR MANAGEMENT AUDITOR REAGAN: And we are so
14 limited in choices. It's not like we have a hundred
15 competitors.

16 CHAIRPERSON HARRIS: Three big ones.

17 SENIOR MANAGEMENT AUDITOR REAGAN: Three, maybe 2
18 1/2. Still, not a whole lot of choices, you know. The
19 racetracks can certainly investigate it and do whatever
20 they have to do to make those choices.

21 CHAIRPERSON SHAPIRO: And, also, Chairman
22 Harris's point that we are involved in as we looked at
23 new types of wagering and new bets, I think it behooves
24 us to be involved in a process to help the racetracks,
25 you know, interface with us as they -- so I think we are

1 not going to have a case of certainty until we have it
2 demonstrated to us.

3 CHAIRPERSON HARRIS: Okay. Let's move on the
4 Race Date Committee.

5 COMMISSIONER SHAPIRO: The Race Dates Committee
6 met yesterday, and the only issue on our agenda was to
7 look at revisions to primarily -- Northern California
8 fair to convert their dates to night Harness Racing. At
9 that the meeting there was a general consensus, and the
10 Race Dates Committee moved and approved a proposed
11 rearrangement of the calendar.

12 It would be my recommendation that this
13 Board is going to hear this at the next meeting. It
14 will be presented and hopefully approved at that time.

15 Now, as of this morning, I think it was
16 Humboldt County Fair was not present yesterday. They
17 had a concern with one date, but other than that, the
18 dates were pretty much worked out.

19 MR. TITUS: Sturt Titus, General Manager of the
20 Humboldt County Fair. I was in fact at the meeting, but
21 things are happening in somewhat of a different order as
22 far as racing dates for this summer are normally
23 concerned.

24 I've been following Cal-Expo issue since it
25 first rooted three months ago. There are some concerns

1 of what that configuration looks like, and not having
2 the opportunity to look at the calendar until after the
3 meeting was over, I apologize; I was not able to make
4 any comments on it yesterday.

5 But essentially, we will address the
6 overlap -- essentially takes away what we are
7 anticipating on opening day, on August 11, and we're way
8 beyond the point where we can even think about that in
9 terms of our obligations and from a legal standpoint
10 with that request to reconsider that one day.

11 CHAIRPERSON HARRIS: I guess it wasn't opened.
12 So we just switch those days. I don't -- hopefully,
13 there will be no objections to that.

14 COMMISSIONER SHAPIRO: I don't think this is an
15 issue that can be worked out. The calendar
16 essentially -- it created less overlap, which was part
17 of our goal. And then it had several less association
18 fair overlap days, and it had four less fair overlap
19 dates and 12 less cards. This may result where there is
20 just one less of the non-overlap days, and I don't think
21 that there would be a problem.

22 UNIDENTIFIED SPEAKER: Thank you

23 CHAIRPERSON HARRIS: Do we need to read in the
24 record what the new schedule is?

25 COMMISSIONER SHAPIRO: Well, we're not taking

1 action on the schedule. It's not on our agenda today.

2 So our next meeting we will take action.

3 And I think the only other race dates that
4 mattered was having to do with Fairplex.

5 UNIDENTIFIED SPEAKER: Thank you, Commissioners.
6 The 2005 Race Dates Committee granted Fairplex 17
7 consecutive days of racing this year, September 9,
8 through September 25, and we are asking for a one-year
9 experiment to amend that to go to a 16-day race meet,
10 covered over the period of September 9 through September
11 26th is Monday and go dark Tuesdays. Again, this would
12 be a one-year experiment.

13 We want to test this out. We go from 17
14 days to 16 days. We race on a Del Mar time schedule
15 where we go Wednesday through Monday. We think that
16 this is more typical of the racing calendar. And we
17 would ask your approval to go ahead with this plan. We
18 have talked with (inaudible), and he's here to address
19 that, if you wish, and the TOC. Drew is at another
20 meeting right now, but I believe he would support this
21 as well.

22 CHAIRPERSON HARRIS: I would think -- can we act
23 on it today, though it is not on the agenda?

24 UNIDENTIFIED SPEAKER: Commissioner, it's not on
25 the agenda. Certainly we could put it on the May

1 agenda. We'd have to do separate items, one for L.A.

2 County and one for the Northern Fairview arrangement.

3 CHAIRPERSON HARRIS: I think it's a step in the
4 right direction.

5 COMMISSIONER SHAPIRO: That brought up a point
6 that because it wasn't on the calendar today and the
7 fairs want to get going, we couldn't -- we can't take an
8 official vote on it, but we told them that we would try
9 to get an indication from the Board on a nonformal vote
10 basis.

11 Correct me if I'm wrong as to the calendar
12 that was being proposed. Is there any problem that
13 anybody has?

14 CHAIRPERSON HARRIS: Audience, have any problems?

15 COMMISSIONER SHAPIRO: Okay. Great. I think we
16 fulfilled our obligation.

17 CHAIRPERSON HARRIS: Appreciate everyone being
18 here. We'll adjourn.

19 (THEREUPON THE CALIFORNIA HORSE RACING

20 BOARD MEETING ADJOURNED AT 12:54)

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1 CERTIFICATE OF REPORTER

2

3 I, CAROL MATHER, a hearing reporter of the
4 State of California, do hereby certify:

5 That I am a disinterested person herein;
6 that the foregoing California Horse Racing Board meeting
7 was reported in shorthand by me, Carol Mather, a hearing
8 reporter thereafter transcribed into typewriting.

9 I further certify that I am not of counsel
10 or attorney for any of the parties to said meeting nor
11 in any way interested in the outcome of said meeting.

12

13 IN WITNESS WHEREOF, I have hereunto set my
14 hand this day of , 2005.

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CAROL MATHER, Hearing Reporter

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